

PEOPLE
Expert Honored
The Global Newspaper
Edited in Paris
Printed Simultaneously
in Paris, London, Zurich,
Hong Kong, Singapore,
The Hague and Manila
WEATHER DATA BREAK ON PAGE 18
No. 31,688
ZURICH, MONDAY, JANUARY 7, 1985
ESTABLISHED 1987

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INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

University Of Jordan
Center of Strategic Studies
READING ROOM

Amman	15.50	Norway	7.00	Nor.	15.50
Baghdad	15.50	Paris	15.50	Paris	15.50
Bangkok	15.50	Rome	15.50	Rome	15.50
Beijing	15.50	Singapore	15.50	Singapore	15.50
Bombay	15.50	Tokyo	15.50	Tokyo	15.50
Buenos Aires	15.50	Zurich	15.50	Zurich	15.50
Calcutta	15.50				
Caracas	15.50				
Cairo	15.50				
Canton	15.50				
Cebu	15.50				
Colon	15.50				
Hankow	15.50				
Hong Kong	15.50				
Kobe	15.50				
London	15.50				
Lyons	15.50				
Manila	15.50				
Medan	15.50				
Osaka	15.50				
Shanghai	15.50				
Singapore	15.50				
Taipei	15.50				
Tientsin	15.50				
Yokohama	15.50				



Foreign Minister Andrei A. Gromyko, making a rare speech in English on his arrival Sunday in Geneva, promised to seek mutually acceptable accords to prevent a space arms race. With him was Anatoli F. Dobrynin, the Soviet Union's ambassador to Washington.

Shultz, Gromyko Arrive for Talks

Soviet Study Shows Deep Differences With Washington

By Dusko Dodder and Don Oberdorfer
Washington Post Service
GENEVA — A Soviet study charged on the eve of new U.S.-Soviet talks that President Ronald Reagan's space-based defense plan is a dangerous and costly "deception" that could increase the chances of nuclear war.



George P. Shultz speaking Sunday on arrival in Geneva. With him were, from left, Robert C. McFarlane, national security adviser, Assistant Secretary of State Richard R. Burt, and Paul H. Nitze, special adviser on arms issues.

Jordan, Citing U.S.-Israel Ties, to Buy An Air Defense System Made by Soviet

By Charles P. Wallace
Los Angeles Times Service
BEIRUT — Jordan, one of the closest U.S. allies in the Arab world, has announced that it plans to deploy a Soviet-supplied air defense system early this year.

Senate Republicans to Offer Deficit Plan

By Jonathan Fuerbringer
New York Times Service
WASHINGTON — Senate Republicans have decided to write their own package of legislation to reduce the federal budget deficit, in an extraordinary move that could put the Senate, rather than the White House, in the lead on fiscal policy.

Gandhi Asks Cabinet Unit To Resolve Punjab Crisis

By Sanjoy Hazarika
New York Times Service
NEW DELHI — Prime Minister Rajiv Gandhi has appointed a special cabinet group to propose ways to resolve the political crisis in the northern state of Punjab.

Sudan Move Halts Airlift Of Ethiopians to Israel

By John M. Goshko
Washington Post Service
WASHINGTON — Sudan, reacting to Ethiopian protests and concerned that other Arab countries will complain, has canceled its cooperation with an Israeli-organized airlift carrying thousands of Ethiopian Jews from the region.

INSIDE

China's writers have a new constitution that refers to "democracy and freedom" in literature. Page 2.
Polish authorities invited public reaction on plans to increase food prices. Page 2.
Those accused in the 30 attacks against U.S. abortion clinics share many traits, but apparently no plot. Page 3.



Cambodian civilians from Ampil crossing the border into Ta Phraya, Thailand.

FINANCIAL ROUNDUP

On Wall Street, caution is the byword for 1985 after many investors suffered disappointments last year. Page 7.
Holders of shares of Star Surgical, Sterling Extruder and Allied Products had cause to celebrate in 1984. A look at top gainers — and losers. Page 9.
Complete listings for 1984, by exchange. Pages 13-17.

Rebel Leader Visits Ampil

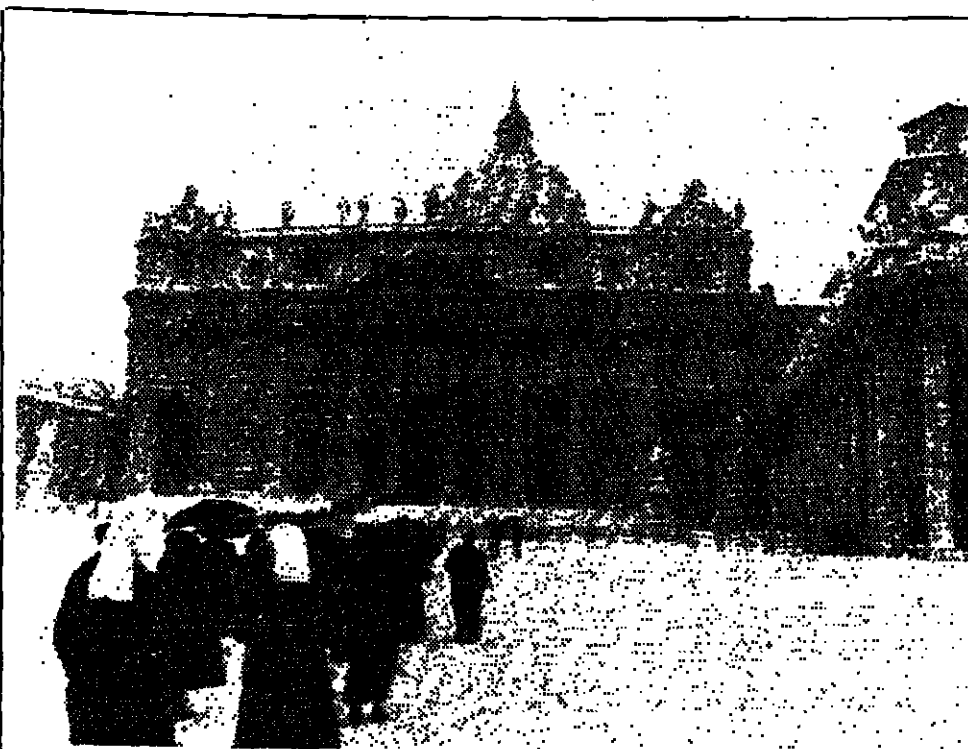
The leader of the Khmer People's National Liberation Front, Son Sann, paid a surprise visit Sunday to his key base of Ampil. He said he had come to boost the morale of defenders preparing to resist an anticipated attack by Vietnamese forces. Reuters reported.

Vietnam Presses Cambodian Rebels

Hanoi's Troops Said to Dig In on Border With Thailand
By Barbara Crossette
New York Times Service
BANGKOK — Officials of the Cambodian rebel group under attack by Vietnam say that Vietnamese troops appear to be digging in for a long stay along the border of Thailand and Cambodia.

New Flu-Like Illness Linked to Herpes Virus

The Associated Press
NEW YORK — A newly recognized flu-like illness marked by fatigue, fever and swollen glands that can persist for years has been linked to a virus in the herpes family, according to reports in the Annals of Internal Medicine.



Nuns walked through the snow to Mass in St. Peter's Basilica in Vatican City on Sunday.

Cold Grips Europe; Storms Kill 26 in Algeria

Compiled by Our Staff From Dispatches

LONDON — Icy weather gripped Europe on Sunday, and in Rome, people threw snowballs instead of coins into the Trevi fountain.

At least 26 persons were reported to have been killed in Algeria in a week of flooding, torrential rain and snow. Tunisia rushed 13 tons of medicines and emergency supplies, including thermal blankets, to its North African neighbor.

Belgrade radio said three persons were killed in a truck-car collision on a snow-covered road in the Serbian mountains of Yugoslavia, 60 miles (96 kilometers) south of Belgrade.

Three homeless persons died of exposure in France over the weekend.

Rome got its first real snowfall in 14 years on Sunday. By noon, at least four inches (10.2 centimeters) had fallen, both airports were closed and trains were late.

Both Romans and tourists threw snowballs into the Trevi fountain instead of the coins that are supposed to ensure that travelers one day return to Rome.

In the village of Trepalle di Livigno, the temperature reached -36 degrees Fahrenheit (-37.8 centigrade), the coldest recorded in an inhabited spot in Italy.

French meteorologists said the mercury dived to -27 Fahrenheit (-23.9 centigrade) in the Doubs region near the Swiss border.

Paris had its coldest day since 1956 with a low of 12 Fahrenheit (-11.1 centigrade).

In the area surrounding Nice and Cannes, residents awoke Sunday to see a layer of white on palm-studded avenues as up to 10 inches of snow fell on the region.

Snow fell in and around London, disrupting public transport and sparking a spate of traffic accidents.

The coldest spot in West Germany on Sunday was Kempen in the Bavarian Alps, where the temperature was -17 Fahrenheit (-27.2 centigrade). On the autobahn, traffic jams of up to 60 miles were reported, but the ski slopes of the Alps and central highlands were packed with vacationers.

In the Mediterranean basin, sun-seeking tourists from northern Europe found hail and icy winds in the coldest winter in 30 years in Spain's Balearic Islands. People in Barcelona wore their fur coats.

Overnight temperatures were as low as -22 Fahrenheit (-30 centigrade) in Austria and a further drop to -40 Fahrenheit (-40 centigrade) was forecast for Sunday night.

Temperatures of 5 degrees Fahrenheit (-15 centigrade) greeted U.S. Secretary of State George P. Shultz in Geneva.

In Belgium, snow blanketed roads and all weekend soccer matches were canceled.

The Soviet press has reported that this winter seemed colder than most with daytime temperatures regularly falling below average in the central part of the country. In the Kirgiz Republic, bordering China, the mercury dropped to -50 Fahrenheit (-45 centigrade).

The newspaper Selskaya Zhizn said Sunday that most of the Soviet Union was under at least six inches of snow.

(UPI, Reuters)

Warsaw Asks Poles' Views On Plans for Price Rises

By Bradley Graham
Washington Post Service

WARSAW — Polish authorities have published three sets of price-rise options and invited citizens to phone or write in their reactions in an attempt to consult the public on the sensitive issue of food price increases.

Increases in the cost of food are a potentially explosive issue in Poland, where past attempts to raise prices have led to riots that have toppled Communist Party leaders. Mindful of the political repercussions, Polish officials proceeded to increase last year by floating several options weeks ahead of time.

The increases that subsequently took effect were somewhat less than initially projected, and no unrest resulted.

Viewing last year's approach as a successful model, the authorities have again proposed three variants for public discussion. State-controlled newspapers carried detailed charts and descriptions of the plans on Saturday, showing what each option would mean for individual items.

Essentially, Poles are being asked to weigh the burden of higher prices against the prospect of an end to the rationing of some key foods. The first plan, the minimum option, would mean that rationing would continue but that the cost of living would increase by only 3.1 percent.

If people are willing to pay substantially more for their butter, sugar and flour, as outlined in options 2 and 3, then the rationing of these foods could end, according to the proposals. Only meat and chocolate would remain subject to rationing.

Although the difference between the least expensive plan, which would raise the overall cost of living 3.1 percent, and the most expensive one, which would increase it 4.2 percent, appears small, the low figures are somewhat deceptive.

Each option conceals large increases for certain foods, even in the first plan, under which the price of flour would go up 24 percent and that of sugar 25 percent. To dispense with rationing coupons, flour would have to rise in price 41 percent, sugar 73 percent and butter 29 percent.

The government's economic plan for 1985 calls for retail prices to rise 9 percent. It also speaks of a 3 percent to 4 percent "spillover effect" from price decisions last year. Together, this means a projected price rise of 12 percent to 13 percent this year.

Food price increases are forecast to make up about one-third of this total. The jump in food prices is due to take effect in March.

In the meantime, Poles were advised in Saturday's announcement to submit their comments on the proposed options to the ministry responsible for prices or to local government or newspaper offices.



Senator Edward M. Kennedy touring Soweto on Sunday.

South Africans Protest Against Kennedy's Visit

By Alan Cowell
New York Times Service

JOHANNESBURG — White police officers scuffled with protesters as U.S. Senator Edward M. Kennedy arrived in South Africa and was met by black demonstrators chanting, "Kennedy go home!"

The protesters Saturday said they belonged to the Azanian People's Organization, a "black consciousness" movement that excludes whites from its activities. The group, underlining a division in black ranks over the visit of the Massachusetts Democrat, has attacked it as an effort to secure "a ticket to the presidency" of the United States.

In the arrival hall at Johannesburg's Jan Smuts Airport, policemen fought with some of the 40 demonstrators, dragging at least three of them into custody.

The incidents came shortly after Mr. Kennedy was welcomed to Johannesburg by his hosts, Bishop Desmond Tutu, winner of the 1984 Nobel Peace Prize, and the Reverend Allan Boesak, president of the World Council of Reformed Churches.

In a symbolic gesture, Mr. Kennedy spent the first night of his first weeklong visit to South Africa at Bishop Tutu's home in the huge black township of Soweto, outside Johannesburg. "We want you to visit the ghettos in which we live," Bishop Tutu said at the airport.

Whites normally require a permit to visit Soweto and are prohibited from spending the night there. Kennedy aides said this requirement had been waived for the senator.

Imrann Moosa, a spokesman for the Azanian People's Organization, said Saturday, "There will be ac-

tion taken against Kennedy. The whole country is our terrain. Wherever he goes, we will be there."

The group issued a statement Thursday saying that Mr. Kennedy "must be informed that the oppressed blacks of Azania are not his ticket to the presidency and that our enemy includes the imperialism of the United States." Azania is a black activist term for South Africa.

The Afrikaans-language newspaper Beeld, regarded as close to the ruling National Party, also suggested in an editorial that Mr. Kennedy's visit was designed to win black votes in the 1988 election.

Mr. Kennedy is making the first visit by a member of his family to South Africa since his brother, Robert F. Kennedy, came here in 1966.

About 500 black people, many holding candles aloft, greeted the senator's arrival at Bishop Tutu's home.

■ Kennedy Tours Soweto

Mr. Kennedy toured Soweto on Sunday and said it was one of the most distressing visits he had ever made, Reuters reported. He spoke during a visit to a migrant workers' hostel, a squalid living area for several hundred single men.

"This is one of the most distressing and despairing visits I have ever made to any facility in my lifetime," he said outside the quarters where men sleep eight to a room. Under the South African system, many such laborers must leave their families in rural "homelands" to gain employment in the urban areas.

Mr. Kennedy said people who cared about their families had to choose between providing for them or living with them.

WORLD BRIEFS

Iran Asks UN Probe of Iraqi Raids

TEHRAN (Reuters) — Iran has formally asked the United Nations to survey damage that Iran says was inflicted by Iraqi air raids on civilian areas near the Gulf war front, a spokesman for a UN inspection team in Tehran said Sunday.

Iran accused Iraq of killing nearly 30 civilians and wounding more than 100 in raids last week at the town of Bostan, nine miles (15 kilometers) from the border, and four nearby villages in Khuzistan province. Iraq reported raids against Iranian positions in the Misan area of the south-central war front but made no reference to Khuzistan.

Iran said that Iraq had broken a UN-negotiated agreement that was reached last June and by which the two sides undertook not to attack civilian areas.

Gemayel Calls for Full Israeli Pullout

BEIRUT (Reuters) — President Amin Gemayel said Sunday that there was no change in Lebanon's attitude toward de facto troop withdrawal talks with Israel. The talks are to resume Monday after an 18-day recess.

"The position of Lebanon concerning the south remains unchanged," Mr. Gemayel told Beirut's diplomatic corps in a traditional New Year speech. Political sources said earlier that Mr. Gemayel would offer new ideas to try to save the negotiations, which have been bogged down over who should police south Lebanon after Israel pulls out its 10,000 occupying troops.

Israel has threatened to leave the talks and take unilateral action unless Lebanon made concessions before negotiations reopen at the border village of Naqoura. But in his speech, Mr. Gemayel repeated Lebanon's demand for a total Israeli withdrawal. He insisted that the Lebanese Army should deploy throughout the south and rejected any role for the Israeli-backed South Lebanon Army militia.

Aspin to Head Arms Panel in House

WASHINGTON (LAT) — Democrats in the House of Representatives have broken one of Congress's deepest and most stabilizing traditions — awarding committee chairmanships by seniority — by narrowly removing Representative Melvin Price, Democrat of Illinois, as chairman of the Armed Services Committee.

In a ballot to choose Mr. Price's successor on Friday, the Democrats reached far down the committee's seniority list to Les Aspin, of Wisconsin, a frequent Pentagon critic who was the committee's seventh-ranking Democrat.

The 121-to-118 vote unseating Mr. Price, 80, was the most dramatic violation of the seniority system in a decade. The close vote reflected the conflict between the Democrats' desire to strengthen their hand against President Ronald Reagan's arms buildup and their attachment to a system that many credit with bringing order and continuity to the often unruly body. The Democratic Caucus then chose Mr. Aspin, who was opposed by Charles E. Bennett of Florida, the second-ranking committee Democrat, by a vote of 125 to 103.

Angola Says It Killed 3,000 Rebels

LISBON (AP) — Angolan government troops killed more than 3,000 opposition guerrillas in the central province of Huambo in 1984 and are stepping up efforts to wipe out the rebel National Union for the Total Independence of Angola this year, an army commander said.

In a report received in Lisbon on Saturday, the official Angolan news agency, ANGOP, quoted Major Armando Da Cruz Neto as saying the insurgents could no longer combat Angolan forces directly and were reduced to "desperate acts of banditry" against civilians and economic sabotage.

The major said 152 rebels were killed and 93 captured in a recent battle for the town of Cuca, the agency reported. It said the repelling of the attack had foiled rebel plans to occupy part of the provincial capital of Huambo.

45 Hospitalized in Gas Leak in India

NEW DELHI (AP) — At least 45 workers at a textile mill, owned by a large, private sector company in southern India, were hospitalized after a toxic gas leak, authorities reported. They did not specify the name of the firm.

K. Sivadasan, labor minister of Kerala state, said Saturday the chlorine gas leak occurred Friday in the dyeing section of the factory in Kottayam, 270 miles (435 kilometers) southwest of Madras. He said the cause of the leak was not immediately known and that the 45 stricken workers were out of danger. He added that an investigation was being headed by V.K. Radhakrishnan, the government's joint director of factories and boilers.

Employees of the factory's dyeing department staged a strike Saturday, demanding adequate safety measures in the plant, the United News of India reported. The workers demonstrated outside the factory, charging that the accident was caused by management's negligence, the agency said.

Plan for New Caledonia Is Assailed

PARIS (Reuters) — A New Caledonian political leader has condemned as "a monstrous idiosyncrasy" a reported plan for making the South Pacific territory independent under a contract of association with France.

The plan drawn up by Edgard Pisani, France's special envoy to New Caledonia, reportedly would make the territory an associated state with special ties to France for a transition period of five to 10 years. Mr. Pisani is to officially announce his plan Monday.

"If this means making New Caledonia independent, I say it is a monstrous idiosyncrasy," Jacques Lafleur, who heads the anti-independence Rally for Caledonia in the Republic, told the newspaper Le Monde on Saturday. He said a provision of the plan offering sovereignty to the indigenous Melanesian Kanaks was an attack on the European settlers, who make up 37 percent of the 145,000 population.

Mr. Pisani was quoted by the weekly Le Nouvel Observateur as saying that his plan would offer guarantees to both the Kanaks and the European settlers.

Barbie Investigation Nearly Complete

LYONS, France (Reuters) — The pre-trial investigation of Klaus Barbie, who is accused of committing Nazi war crimes in France, is nearly complete and the case will probably go to trial this year, according to legal sources, but Barbie will face only three of eight original charges for crimes against humanity.

The sources said Saturday that lack of documentary evidence and the few remaining survivors of the atrocities allegedly committed by Barbie had caused the investigating magistrate to drop at least five of the charges against Barbie, 71, for his role as Gestapo chief in the city from 1942 to 1944. Barbie was extradited to France from Bolivia in February 1983, and is in prison in Lyons.

The sources said the magistrate, Christian Riss, was expected to provide the Lyons public prosecutor with his final conclusions on the case by April. The prosecution will then prepare its indictment and submit it to the court, which could request further information.

Greens Reject Coalition in Saarland

EPPELBORN-SAAR, West Germany (UPI) — A Saarland state coalition government with the Social Democrats after the state election on March 10.

A two-thirds majority of the convention delegates also rejected motions that would have postponed a decision on cooperation with former Chancellor Willy Brandt's party until the election.

Oskar Lafontaine, mayor of Saarbrücken and leader of the state's Social Democrats, had said cooperation with the Greens would be impossible unless they were willing to participate actively in a ruling coalition with his party. Mr. Lafontaine, regarded as Mr. Brandt's protégé, shares the Greens' opposition to the North Atlantic Treaty Organization and the basing of U.S. atomic weapons on German soil.

For the Record

Justice Lewis F. Powell Jr., 77, of the U.S. Supreme Court, underwent surgery for prostate cancer Friday in a Minnesota hospital and was reported in fair condition.

A team of Bolivian climbers fighting high winds and snow reached the Illimani Mountain on Saturday and reported finding no survivors of the crash, the airline said. The Boeing 727, carrying 29 people, crashed on Tuesday, minutes before it was to land at La Paz airport.

Claus von Bülow, the Danish-born financier, will be tried a second time on charges that he tried to kill his wife, Marika von Bülow, with insulin injections at their Newport home, Rhode Island's attorney general, Arlene Violet, said Saturday.

Princess Margaret, 54, the younger sister of Queen Elizabeth II, was admitted Saturday "for investigations" to London's Brompton Hospital, which specializes in treating heart and chest diseases, said a spokesman at Clarence House, her mother's residence.

Chinese Writers Get Their 'Freedom'

But New Charter Demands Adherence to the Party Line

By John F. Burns
New York Times Service

BEIJING — China's writers were given a new constitution on Saturday that spoke of their right to "democracy and freedom" in developing a literature that served a readership beyond workers, peasants and soldiers.

The development followed an eight-day congress of the Chinese Writers' Association that was dominated by calls for creative freedoms and by a keynote speech from a top Communist Party figure, Hu Qili, promising that they would have it.

But a description of the new charter that was issued on Saturday by the official Xinhua news agency indicated that it retains strictures about writers remaining faithful to the party and to Marxism-Leninism. In effect, the party seemed to have loosened its controls as it has on earlier occasions, but to have retained broad ideological constraints that could be invoked against any writer venturing too far.

The news agency said that the charter "encourages Chinese writers to emancipate their minds and to be bold to break new ground." It added, citing the charter: "They should develop a great variety of new themes, styles, forms and genres and start a free competition so as to raise the ideological and artistic levels of literary creation."

Another key passage said that under the new charter the writers' association, "led by the Communist Party and guided by Marxism-Leninism," should adhere "to the orientation of art and literature serving the people and to the policy of 'letting a hundred flowers blossom and a hundred schools of thought contend.'"

The reference was to a phrase of Mao's that launched an explosion of intellectual creativity in 1957. But Mao tolerated criticism of the party during the "hundred flowers" period for only a few weeks before launching a crackdown that sent many intellectuals to prisons and labor camps.

In 1980, Deng Xiaoping, the Chinese leader, spoke out in harsh terms against artists engaging in "bourgeois liberalism," and reminded writers that while literature

might not have to "serve" politics, that did not mean that it could be separate from politics.

Some Western diplomats believe that the congress was less important for what it heralded in literature than as a measure of a shifting political balance at the top of the party. In this interpretation, the congress was used by Mr. Deng and his associates to signal a new offensive against more ideologically conservative figures who have resisted economic changes and have been generally opposed to any relaxation of artistic controls.

The tactic of using the arts as a political tool has a tradition here dating back centuries. Under the Communists, artistic matters were the initial battleground in the "anti-rightist movement" of 1957, and again at the outset of the Cultural Revolution, in 1966.

In October 1983, a "spiritual pollution" campaign that began as an attack on purported rightist influences in the arts quickly developed into a broader political campaign before Mr. Deng, sensing a challenge to his policies, ordered it halted.

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AMERICAN TOPICS

Great White Sharks
Biting in California

A narrow triangle of Pacific Ocean running 80 miles (130 kilometers) along the Pacific Coast off San Francisco, from Point Reyes to Monterey Bay, and extending to the Farallon Islands 25 miles offshore, has become the area of the world's highest incidence of great white shark attacks on humans.

Great white sharks, the subject of the film "Jaws," can reach a weight of 5 tons and a length of 30 feet (9 meters), and no other sharks match their aggressiveness.

For decades Australia was the center of white shark attacks. But scientists say the dubious distinction has passed to California. There have been 29 great white attacks on humans within the so-called "Red Triangle" since the 1920s, and the rate has increased from one every few years then to one or two per year now. Few of the attacks, however, have been fatal.

John McCosker, director of the Steinhart aquarium in San Francisco, says attacks are up because the shark population is up. That, in turn, appears to result from a resurgence of the great white's favorite meal, seals and sea lions, hunted to near extinction at the turn of the century but, with conservation laws, now numbering in the tens of thousands.

Deregulation a Boon
For Chicago Airport

Midway Airport, well within the Chicago city limits, was the world's busiest as recently as 1959, then lost ground to O'Hare, northwest of the city, which could handle bigger jets.

With the deregulation of U.S. airlines, Midway has had a rebirth. The airport now handles 1.5 million passengers a year (down from 10 million in 1959 but up from a few thousand in recent years) and operates 112 flights a day.

Many of these are night flights by old cargo jets flying at low altitudes with noisy engines. Residents of the single-family houses that largely surround the airport are asking the city to ban flights from midnight to 6 A.M.

Short Takes

American and European fashion designers who decreed oversized men's clothes for women have produced a bonanza for old-clothing stores in New York City. Men's coats from the 1940s and 1950s are selling fast, usually from \$20 to \$75. Those in the know say the coats should look too big for the wearer. Ideally, the sleeves should be so long that they have to be rolled back.

The Civil Aeronautics Board went out of existence last week and, although bureaucracies are widely held to be self-perpetuating, it was not the first federal agency to be dissolved. Scores of others have bit the dust over the past 50 years, including the WPA, or Works Project Administration (1935-42), the Bureau of Animal Industry (1884-1953), the Bureau of Light-houses (1789-1939) and the National Screw Thread Commission (1918-34).

Shorter Takes: There are 191.2 million television sets in the United States, or 2.3 sets for every American home, according to the 1985 Television and

Cable Factbook. . . . A kitchen fire on New Year's Eve destroyed the Toll House Restaurant at Whitman, Massachusetts, where the late Ruth Wakefield originated chocolate chip cookies in 1930. . . . Chief Justice Warren E. Burger, who has long complained about the Supreme Court's work load, says a 10th Supreme Court justice should be added to handle administrative tasks but not to decide cases.

Notes About People

Howard H. Baker Jr., Republican of Tennessee, the outgoing Senate majority leader, said last week that he "would like to run for president in '88" but would make no firm decision until after the 1986 congressional elections.



Senator Gary Hart

Senator Gary Hart, Democrat of Colorado, has not disclosed his plans for 1986, the last year of his term, or for 1988, the next presidential election year. On Thursday he will start a trip to Europe, giving speeches or conferring with officials in Britain, France, Switzerland and the Soviet Union.

Bethune Clark Church, widow of former Senator Frank Church, an Idaho Democrat, is being urged by friends and party workers to run in 1986 for the seat her husband held for 24 years. Mr. Church died in 1984. If Mrs. Church, whose forebears were long active in Idaho politics, decides to make the race, she would face the man who forced her husband into retirement in a close and bitter contest in 1980, Steven D. Symms. A conservative Republican, he is expected to seek a second Senate term.

Conservative Republicans have begun to advance the name of Faith R. Whitley as a replacement for Jeane J. Kirkpatrick as chief U.S. delegate to the United Nations. Mrs. Kirkpatrick has made it known that she wants to leave the job. Mrs. Whitley, 44, a conservative with an outspoken manner, was ambassador to Switzerland before becoming the presidential assistant for public liaison.

Nancy Reagan's press secretary, Sheila Tate, ran into Rosalynn Carter's press secretary, Mary Finch Hoyt, at a Washington luncheon recently. Mrs. Hoyt said nothing made her so nervous at the White House as parties at which President and Mrs. Jimmy Carter found themselves standing together with no one around them. Mrs. Tate agreed, saying she gets nervous when silent guests surround President and Mrs. Ronald Reagan.

—Compiled by ARTHUR HGBEE

Abortion Bombers Act 'for the Glory of God'

By Joe Pichirallo
and Ruth Marcus
Washington Post Service

WASHINGTON — Federal law enforcement officials say a nationwide investigation has failed to uncover evidence that the 30 violent attacks against abortion clinics in the last few years are the work of an organized group, despite allegations by many supporters of the clinics that some of the incidents are connected.

There is no indication that any of the seven men and two women charged or convicted in the attacks knew others who participated in attacks in other cities.

But interviews with friends, lawyers and prosecutors of the accused, and with some of the defendants themselves, suggest that the attackers share many characteristics. They appear to be blue-collar, lower-to-middle-class people who have no history of violent acts. They appear to be deeply religious and politically unsophisticated.

Motivated by their anti-abortion fervor and convinced that they are acting "for the glory of God," as one of the arrested told federal investigators, they have become frustrated by the failure of the mainstream movement to stop abortions and are willing to risk long prison terms to achieve more immediate results.

Curtis Beseda, a regular on the picket line at the Feminist Women's Health Center in Everett, Washington, decided to firebomb the clinic after watching a woman after woman ignore his pleas not to have an abortion. He said he bombed the facility because he believes that abortion is "the greater of two evils."

Don Benny Anderson had not been active in the anti-abortion movement before setting out on a four-month campaign of violence, on orders, he said, from God and the Archangel Michael. With the aid of two young followers, Mr. Anderson formed the Army of God and set fire to two abortion clinics in Florida, bombed one in Fairfax County, Virginia, outside Washington, D.C., and kidnapped the operator of an Illinois abortion clinic.

Joseph Grace, described by a psychiatrist as a "religious political fanatic" in search of a cause, set fire to a Norfolk, Virginia, abortion clinic and was arrested after he fell asleep in his van a block away, his shoes still soaked with kerosene. Mr. Grace called himself a member of the Army of God, but later conceded that he knew of the group only through news reports.

Since 1982 there have been 30 bombings or fires in

the United States at abortion clinics and offices of those supporting the availability of abortion, including 24 last year. Three clinics were bombed in Pensacola, Florida, on Christmas and New Year's Day attacks, clinic was struck New Year's Day, bringing to 17 the number of attacks on abortion-related centers since June.

Abortion clinics have also been the target of increasing acts of vandalism, death threats to employees, telephone bomb threats and other forms of harassment.

Debate over the bombings reached a crescendo last week after the Christmas and New Year's Day attacks. President Ronald Reagan for the first time specifically deplored the violence at clinics.

Mr. Anderson, the Army of God leader, said last week, "People get aroused when there's injustice in the land." He made the comments in a telephone interview from federal prison in Oxford, Wisconsin, where he is serving a 42-year sentence. "They don't want to sit idly by while their brothers or sisters are being murdered."

Despite 12 years of unrelenting efforts—including picketing, protest marches and lobbying for a constitutional amendment to ban abortion—and the election in 1980 of a president committed to its cause, the anti-abortion movement has been unable to undo the Supreme Court's 1973 decision legalizing the procedure.

Those who attack clinics "are not wild, crazed terrorists," said Joseph M. Schneider, executive director of the Chicago-based Pro-Life Action League. "These are people who want to put 'abortifacients' out of business" and "who have decided human lives are more valuable than real estate."

Mr. Anderson, a Mormon and father of seven, "had never thought much about abortion" before he was called on to give a talk on the issue at a church meeting, according to Mr. Schneider. "It overwhelmed him that it was such a terrible thing."

A fugitive from Texas, where he had been convicted of real estate fraud, Mr. Anderson—described as a charismatic, outgoing man given to grandiose schemes, whether for making money or stopping abortion—embarked on a four-month, three-state campaign of violence against abortion clinics in 1982. He set fire to two, bombed one, and kidnapped the doctor who directed another and his wife. He was convicted in all four incidents.

Mr. Anderson, 43, took with him Matthew and Wayne Moore, the sons of a Mormon family he had

befriended. The youths, aged 19 and 18 at the time of the attacks, had been trained to have unquestioning respect for their elders and looked on Mr. Anderson as a "father figure," their lawyers said.

"But for this course of conduct I think they could apply to be described as all-American kids," said William Lucco, an Illinois lawyer who represented Matthew Moore, who is serving an eight-year sentence for the kidnapping. Wayne Moore received a four-year term.

Mr. Beseda, who bombed the Feminist Women's Health Clinic in Everett, Washington, often held a huge sign depicting a dismembered fetus during the months he picketed the clinic. Fellow pickets said Mr. Beseda worked hard to keep the protests peaceful and calmed other demonstrators when they grew agitated.

His lawyer, Thomas Hillier, said Mr. Beseda is a loner and an "exceptionally naive man who believed very strongly that abortion is wrong."

Mr. Beseda took the stand against his lawyer's advice and admitted that he had set three fires at the Everett clinic and another at a clinic in Bellingham, Washington, between December 1983 and April 1984.

"The type of action I took, as reprehensible as it is, is the one sure way to prevent the death of unborn children," Mr. Beseda said in a telephone interview from jail last week. He has been sentenced to 20 years in federal prison.

Joseph Grace, 35, embraced pessimistic and extremist views on a variety of political issues, according to his lawyer, Berry Willis. He feared imminent nuclear annihilation and the Soviet menace.

But Mr. Grace's opposition to legalized abortion, fueled by avid reading of the Bible, became an obsessive concern, Mr. Willis said.

Shortly before dawn on May 26, 1983, Mr. Grace, a Vietnam veteran and a self-employed painter, broke a window in the Hillcrest Clinic in Norfolk, Virginia, and set fire to kerosene he splashed on the clinic's floors, Mr. Willis said.

Mr. Grace was convicted of arson and sentenced to 20 years in Virginia state prison.

A court psychiatrist found that he was a "religious political fanatic," suffering from "grandiose ideas" and "paranoid feelings," Mr. Willis said.

Last week, two newlyweds and a couple engaged to be married, all young, fundamentalist Christians, were arrested in the Christmas Day bombings in Pensacola, Florida. Matt Goldsby, 21, said the teachings of his church infused him with anti-abortion fervor, and his growing anger and frustration led him to attack the clinics. The bombs were meant, said his fiancée, Kaye Wiggins, 18, as a "gift to Jesus for his birthday."



Matt Goldsby, 21, was charged with the Christmas Day bombings of three Florida abortion clinics. His fiancée said the bombs were "a gift to Jesus for his birthday."

U.S. May Give
Bonn Post to
John Tower

Washington Post Service

WASHINGTON — John G. Tower, recently retired chairman of the Senate Armed Services Committee, is the likely candidate to succeed Arthur F. Burns as U.S. ambassador to West Germany when the 80-year-old Mr. Burns retires this year, according to Reagan administration sources.

The sources said on Friday that Mr. Tower, 59, a Texas Republican who did not seek re-election last year after 22 years in the Senate, had had discussions with senior White House and State Department officials about taking the Bonn post after Mr. Burns, who is a former chairman of the Federal Reserve Board.

The appointment of Mr. Tower, a conservative, would be welcomed by the Republican right, which has expressed concern that a reshuffle of key foreign policy posts is an attempt by Secretary of State George P. Shultz to purge conservatives from positions of influence within the State Department.

The sources said Mr. Shultz wants to remove the assistant secretary for economic affairs, Richard T. McCormack, a former aide to Senator Jesse Helms, a conservative Republican from North Carolina. His replacement would be John Michael Hennessy, a banker and economist who served under Mr. Shultz when he was Treasury secretary in the Nixon administration.

Mr. McCormack might be made ambassador to the Organization of American States, the sources said, where he would replace J. William Middendorf Jr., another outside appointee with ties to Mr. Helms. Mr. Shultz wants Mr. Middendorf



John G. Tower

to become ambassador to the European Community, the sources said.

They said Mr. Shultz is largely succeeding in his determination to staff a number of important embassies, particularly in Latin America, with ambassadors chosen from the career Foreign Service.

They said that John A. Ferch, a career diplomat who has headed the U.S. interests section in Cuba since 1982, will become ambassador to Honduras, succeeding John D. Negroponte, who is being reassigned to Washington. That resolves a dispute caused by Mr. Shultz's original intention to send L. Craig Johnston, a deputy assistant secretary for inter-American affairs, to Honduras.

That decision was reversed because Mr. Johnston did not want the assignment and because conservatives charged that he did not have a sufficiently tough attitude toward the Sandinist government in Nicaragua. Mr. Johnston now is slated to become ambassador to Algeria.

The sources said another major shift would send Harry G. Barnes Jr., now ambassador to India, to Chile. Mr. Barnes is well regarded in the career Foreign Service, and his reassignment to Santiago is regarded as a sign of concern within the State Department that rising discontent against the military government could make Chile a crisis area.

Mr. Barnes will replace James A. Theberge, a conservative political appointee.

The sources said other planned changes would send Lowell C. Kilday, a deputy assistant secretary, as ambassador to the Dominican Republic and Charles A. Gillespie, also a deputy assistant secretary, to Colombia.

Some sources had said earlier that Mr. Gillespie, who oversaw U.S. activities in Grenada after the U.S. invasion in October 1983, would become ambassador to Bolivia. However, the sources added, that plan was changed after death threats from drug traffickers forced the withdrawal of Lewis A. Tamba from the U.S. Embassy in Colombia.

General Robert E. Cushman Jr., 70, nominated by President Richard M. Nixon as a commandant of the Marine Corps in 1971 and deputy director of the Central Intelligence Agency from 1972 to 1975, Wednesday at his home in Fort Washington, Maryland, apparently of a heart attack.

Honduras Arrests Nicaraguan Indian Dissident

Compiled by Our Staff From Dispatches

TEGUCIGALPA, Honduras — The authorities have arrested Steadman Fagoth Müller, leader of a Nicaraguan Indian rebel group, on charges of violating Honduran immigration laws, according to Foreign Minister Edgardo Paz Barea.

Mr. Paz Barea said Saturday that police took Mr. Müller into custody in Tegucigalpa, the capital, late Friday and continued to hold him.

Mr. Paz Barea did not specify how Mr. Müller had broken the immigration laws, but other officials said he had done so by holding two press conferences. They said he would be expelled soon.

The announcement came one day after another top leader of Nicaragua's Indian guerrillas, Brooklyn Rivera, was reported by his aides in Costa Rica to have been wounded in a Sandinist attack and to be hiding in the hills on the Caribbean coast of Nicaragua.

A military intelligence source in Honduras, who asked not to be identified, told The Associated Press that Mr. Müller might be deported. He gave no details.

On Sunday, the Nicaraguan Foreign Ministry asked Honduras to extradite Mr. Müller, saying he had been "charged and convicted in Nicaragua for common law offenses."

Mr. Müller, 34, heads the organization of Misquito, Sumo and Rama Indians known as Misura. He has lived in Tegucigalpa since February 1981 with thousands of Indians who oppose Nicaragua's leftist Sandinist government. Misura has fought alongside the Honduran-based Nicaraguan Democratic Force, the major U.S.-backed rebel group fighting the Sandinists.

Mr. Paz Barea said Mr. Müller had "abused the hospitality Hon-

duras had offered him" and "endangered the neutrality of Honduras in the face of the internal conflicts of the Central American nations."

In a news conference Thursday, Mr. Müller said, "Never have I had the support of the Honduran government in the liberation work I have taken upon myself."

Before he left Nicaragua, Mr. Müller had represented Indians on the government's Council of State, an appointed body that acts as a legislature.

Sandinist authorities accused him of leading a separatist movement and of having been a member of the National Guard under the Anastasio Somoza, who was overthrown by the Sandinists in 1979.

Nicaraguan Indians have long lived in isolation along the country's Atlantic coast. When the Sandinists tried to assert control over the Indians and relocate them because of rebel activity in the area, many fled to Honduras or Costa Rica, where another Indian organization, Misurasata, is based.

Officials of Misurasata who disclosed that Mr. Rivera had been wounded said they believed his clandestine presence inside Nicaragua had been revealed by a Sandinist infiltrator and that an attack launched last week by the Nicaraguan Army constituted an attempt to kill or capture the rebel leader.

If true, they said, this would throw into doubt the results of Mr. Rivera's recent efforts to conclude a separate Indian peace agreement with the Sandinist government in Managua.

Rafael Zelaya, a Rivera deputy, and another Misurasata official, Guillermo Espinoza, said Mr. Rivera entered Nicaragua on Dec. 22 or 23 to speak to guerrillas and Indian villages about his contacts late last year with the Sandinists.

But soon after Mr. Rivera addressed a meeting at Tasbapanni, on Pearl Lagoon about 40 miles (64 kilometers) north of Bluefields, they said, Sandinist forces opened a concentrated attack using airplanes and patrol boats along with ground troops.

As he sought to flee the area, Mr. Rivera was wounded, the aides reported. Mr. Zelaya said rebel radio communications reported that guerrillas took Mr. Rivera to a mountain hideout. But they have not described his injuries or how serious they were. (AP, WP, AFP)

New Aid Campaign

Philip Taubman of The New York Times reported from Washington:

The Reagan administration plans to issue a white paper describing an arms buildup in Nicaragua in an extensive new administration campaign to persuade Congress to renew aid to Nicaraguan rebels, senior administration officials said Friday.

Despite repeated votes in recent years by the House against aiding the rebels, the administration believes it has a chance of gaining approval for such aid in March or April because of what it sees as growing opposition in Congress to the Nicaraguan government and its ties to Cuba and the Soviet Union.

Although detailed plans for the lobbying effort are not final, the officials said, it will include publication later this month of a report on a military buildup in Nicaragua and other efforts by government officials to focus public and congressional attention on Soviet arms shipments to Nicaragua.

U.S. aid to the rebels, which was funneled through the CIA starting in 1981, ran out in September. Since then the rebels have financed their operations with private donations and with money and arms provided by governments, including Israel's, according to rebel leaders and administration officials.

In October, Congress approved \$14 million in aid for the rebels in the current fiscal year but stipulated that none of the money could be spent unless it renewed approval after February.

A White House spokesman, C. Anson Franklin, would not comment Saturday on whether the administration was preparing a new attempt to win congressional approval to resume assistance to the rebels.

Russell Page Dies; Landscaped Parks

The Associated Press

LONDON — Russell Page, 78, a landscape gardener whose work ranged from city parks to window boxes, died Friday at the Fitzroy Nuffield Hospital here.

Mr. Page, who once said there was no such thing as an ugly plant, worked worldwide laying out parks and landscaping estates and ele-

gant small gardens. But, he once said, "I haven't had a garden since I was 10. I've got too many of other people's."

Lady Bird Johnson asked him in 1966 for advice on her project for beautifying the nation's capital that she sponsored when her husband, Lyndon B. Johnson, was president.

Mr. Page, who was born in Lincolnshire in central England, studied painting at the Slade in London. From the time when as a boy he bought a plant at a country flower show, his first love was gardening, which he described as "a matter of attainable perfection."

During World War II, he fought with the Free French forces and from 1945 to 1962 lived in France.

His best-known work included landscaping Les Halles in Paris, the former fruit and vegetable market now transformed into a modern complex of restaurants and boutiques, and the Battersea Gardens in London by the River Thames, which he remodeled in 1951.

Mr. Page also remodeled Longchamp racetrack outside Paris, from its landscaping to a proliferation of window boxes.

In 1951, he was awarded the Order of the British Empire and in

1977 the medal of the French Académie d'Architecture.

He designed parks and gardens in eight European countries, as well as the United States, Egypt and the West Indies.

■ **Other deaths:** Professor Pal Rubanyi, 80, a specialist in thoracic surgery, a former professor of the Budapest University of Medicine and director of the National Surgeons' Institute, in Budapest on Saturday.

Lovro Matasac, 85, the Yugoslav conductor, Friday in Zagreb, Yugoslavia. He conducted the Dresden, Berlin and Frankfurt opera orchestras and was known for his subtle interpretations of Beethoven, Wagner and Bruckner, winning several international prizes. But after World War II, during which he moved to Zagreb, then capital of the pro-Nazi free state of Croatia, and was named a colonel in the Croatian army, Mr. Matasac was never allowed to perform in Belgrade.

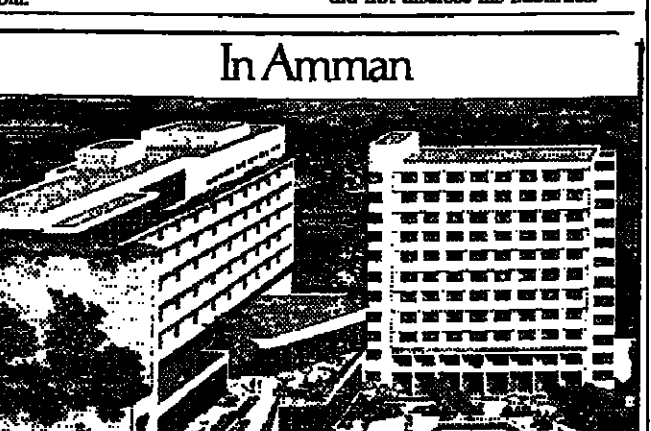
General Robert E. Cushman Jr., 70, nominated by President Richard M. Nixon as a commandant of the Marine Corps in 1971 and deputy director of the Central Intelligence Agency from 1972 to 1975, Wednesday at his home in Fort Washington, Maryland, apparently of a heart attack.

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Space Defense Is Still a Puzzle

Key Issue at Talks Is Vague, No Closer to Development

By Don Oberdorfer
Washington Post Service

WASHINGTON — On March 23, 1983, President Ronald Reagan surprised the world, and all but a few of his closest advisers, by announcing a high-priority research and development program to find ways of intercepting and destroying enemy nuclear missiles before they could hit the United States.

The Strategic Defense Initiative quickly captured the public imagination as the "Star Wars" plan because of its reliance on exotic weapons in outer space. Mr. Reagan called it "a vision of the future which offers hope" to break out of the grim postwar balance of terror.

The leader of the Soviet Union at the time, Yuri V. Andropov, responded with unusual speed and bluntness from the Kremlin. Just four days later, Andropov personally denounced Mr. Reagan's plan as threatening to "open the floodgates to a runaway race of all types of strategic arms, both offensive and defensive."

Just the U.S. intention to develop means of stopping a Soviet retaliatory strike, Andropov said, "is a bid to disarm the Soviet Union in the face of a U.S. nuclear threat."

Rarely has there been such a dramatic example of words and concepts outpacing tangible facts and capabilities. Mr. Reagan's proposal, it has now been learned, was adopted in a highly personal, secret and almost accidental manner. It has long been clear that his administration's own studies to determine the technical possibilities, practical objectives and strategic rationale of the plan he already had announced.

In terms of tangible scientific and military development, very little has changed since March 1983. A White House spokesman said Thursday that as of now, the Strategic Defense Initiative "does not" exist.

Nevertheless, the mere possibility that U.S. technology might eventually be able to fulfill Mr. Reagan's "vision" has cast a cloud of doubt over the fundamental premises and equations that underlie nearly two decades of U.S.-Soviet arms control negotiations.

Mr. Reagan's space-based defense plan will be at the heart of the discussions this week in Geneva between Secretary of State George P. Shultz and Foreign Minister Andrei A. Gromyko.

Senior U.S. officials said it is clear from the still-secret text of the Nov. 17 letter from the Soviet leader, Konstantin U. Chernenko, which proposed the Geneva talks, that the highest Soviet priority there would be on stopping the U.S. drive into space. This fact pro-

vides the main potential leverage of the United States in renewed bargaining with the Soviet Union. How and why did the issue of strategic defense return to the U.S.-Soviet bargaining table after an absence of 12 years?

The predominant view until the mid-1960s was that no defense was possible against the destructive force of nuclear attack, especially when deployed on long-range missiles that travel in space.

By 1966, however, radars and other defensive technology had advanced to the point that the Soviet Union was working on a limited anti-missile defense around Moscow that would use missiles to hit other missiles.

President Lyndon B. Johnson was under growing pressure to spend billions on an elaborate U.S. defense system, despite the clear prospect that both Soviet and U.S. defensive programs would be overwhelmed by rapid developments on the offensive side.

To head off such a costly competition, Johnson proposed to the Soviet Union in December 1966 talks on limiting anti-ballistic missile systems on both sides. Moscow replied that it was necessary to deal with both offensive and defensive arms in considering limitations because of their integral relationship.

The negotiations on the Strategic Arms Limitation Treaty that began in November 1969 finally produced a treaty in mid-1972 sharply limiting the ABM programs on each side. It also produced a separate "interim agreement" that was to be the first step toward serious limitation of offensive weapons.

By agreeing in 1972 to all but abandon strategic defense, the two powers in effect enshrined their mutual vulnerability and the threat of retaliation as the basis for their security.

In a pamphlet made public Thursday at the White House, Mr. Reagan cited two reasons for departing from the longstanding acceptance of vulnerability. For one thing, he said, the pace of a continuing Soviet offensive and defensive military buildup "has upset the balance in the areas of greatest importance during crises."

For another thing, he said, "new technologies are now at hand which may make possible a truly effective nonnuclear defense."

A variety of officials and former officials interviewed recently said they believed that Mr. Reagan's interest has been reinforced by Dr. Edward Teller, the father of the U.S. hydrogen bomb. Dr. Teller had opposed the ABM treaty, and at a government laboratory he sponsored the development of X-ray lasers generated by nuclear weapons. Dr. Teller visited Mr.

Reagan at the White House in September 1982.

Another influence, by most accounts, was the High Frontier proposal for a nonnuclear space-based defense developed by a group of conservatives under retired Lieutenant General Daniel O. Graham, a defense policy adviser to Mr. Reagan during the 1980 campaign.

In mid-January 1982 Mr. Reagan was briefed on a High Frontier report that advocated "a layered strategic defense" to replace mutual assured destruction.

General Graham, who was not present at the briefing, later reported general receptivity from Mr. Reagan and "only weak support" from the White House science adviser, George A. Keyworth 2d.

A new ingredient that turned out to be crucial involved the Joint Chiefs of Staff. They were increasingly concerned late in 1982 and early in 1983 over the troubles of the nation's latest proposed addition to land-based strategic offensive forces, the MX.

It seemed to the nation's uniformed military leaders that continued reliance only on strategic offensive forces was a questionable bet for the future.

Mr. Weinberger was informed of the chiefs' view that a more intensive program of investigating a strategic defense should be considered, an official said. But he and others said there was no formal recommendation at this point for a full-scale national effort.

Mr. Reagan met the Joint Chiefs in the presence of Mr. Weinberger on Feb. 11, 1983. The main subject of the meeting was to be the MX. But at the mention of strategic defense as an option to be considered, according to one participant, Mr. Reagan displayed an immediate and strong interest.

According to a second-hand account, Mr. Reagan kept the discussion on strategic defense for close to half an hour, though it had been expected to be much briefer.

A participant told a friend later that, as the discussion proceeded, Mr. Reagan asked those around the table, "Would it not be better to defend lives than to avenge them?" To this observer, familiar with the president's ways, the ring of that rhetoric signified a policy change whose time had come.

Mr. Reagan was due to make a long-postponed address to the nation late in March to defend U.S. military budgets and programs, especially the MX, against growing criticism. In advance of the speech, White House aides were searching for a new element to make the case more palatable to the public. This new element was prepared

Weapons at Issue in Geneva

GENEVA — Secretary of State George P. Shultz and Foreign Minister Andrei A. Gromyko will have the following weapons systems to consider at this week's talks:

SPACE
Ballistic Missile Defense: In March 1983, President Ronald Reagan proposed a Strategic Defense Initiative to speed research into defensive weapons to be deployed in space as a shield that would make nuclear missiles "impotent and obsolete."

Halling this research program is likely to be the main Soviet goal in new negotiations. U.S. military scientists are working on the feasibility of directed-energy weapons such as lasers, intense beams of light, to be deployed in earth orbit and aimed at missiles in flight. Moscow is also conducting laser experiments.

Deployment of lasers in space could be decades away. Anti-Satellite Weapons: Moscow has successfully tested a nonnuclear space weapon designed to put low-orbiting reconnaissance and other satellites out of action. Guided by a radar sensor, it discharges a cluster of destructive pellets.

The United States has been developing an anti-satellite system and last June tested a nonnuclear device. With on-board computers, it located a target and destroyed it with a metal net. A test of the guidance system was carried out in November.

Both superpowers rely on satellites for earth surveillance and early warning of atomic attack.

INTERCONTINENTAL NUCLEAR WEAPONS
Intercontinental ballistic missiles are the most threatening because of their high accuracy and destructive punch and because many are in ground silos vulnerable to a surprise first strike.

The Soviet Union has 7,700 intercontinental strategic ballistic missiles, and the United States has 7,297, according to Western figures.

NUCLEAR BOMBER FORCES
The Soviet Union has 100 long-range Bear bombers and 43 long-range Blackjack bombers, which is likely to go into operation in 1987 to replace the less capable Bison.

The United States has about 240 B-52 nuclear bombers that can carry bombs or air-launched cruise missiles, as would the B-1 bomber that the United States wants to deploy beginning in 1986. Washington is also working on a "stealth" bomber that would, in theory, be difficult to detect by radar.

The International Institute of Strategic Studies counted about 1,000 long-range U.S. air-launched cruise missiles as of July.

Negotiations on intercontinental missiles, known as the Strategic Arms Reduction Talks, or START, began in June 1982 and were suspended by Moscow in December 1983, after new U.S. medium-range weapons began arriving in Western Europe.

INTERMEDIATE-RANGE NUCLEAR FORCES
The North Atlantic Treaty Organization is in the process of deploying 572 Pershing-2 and cruise medium-range missiles in Europe in response to a Soviet build-up of SS-20s. U.S.-Soviet talks on intermediate-range missiles began in 1981 but were broken off by the Kremlin in November 1983.

in great secrecy by a very small group of aides. Mr. Weinberger, who was traveling abroad, reportedly argued until the last minute against the announcement of the Strategic Defense Initiative.

Though military programs were changed little, the change in philosophy announced by Mr. Reagan generated strong reactions among scientists, politicians and arms control advocates in the United States. But the strongest reactions were from the Soviet Union.

Only a day or two after the address, the Soviet negotiator, Viktor P. Karpov, raised the issue with U.S. negotiator, General Edward Rowley, in the Geneva strategic

U.S. Aide Who Distrusts Russians Seen as Chief Mover on Soviet Policy

By Fred Hiatt
Washington Post Service

WASHINGTON — Richard N. Perle, who did as much as any American to doom détente during the 1970s, thinks that the Soviet Union is "a place where everyone lies all the time."

As the Reagan administration resumes a dialogue Monday with the Soviet Union in Geneva, with Mr. Perle in attendance, that opinion may be crucial.

Despite his relatively low-ranking job as assistant secretary of defense for international security policy, and despite being a Democrat in a Republican administration, Mr. Perle has had more influence on policy toward the Soviet Union during the past four years than any other administration official, according to experts inside and outside government.

Mr. Perle, 43, was the intellectual force behind U.S. arms control positions that were so stringent that President Ronald Reagan's first secretary of state, Alexander M. Haig Jr., labeled them "not negotiable" and "absurd."

Mr. Perle was the architect of a campaign to restrict the flow of Western technology to the Soviet Union, and he played a key role in shifting the debate over arms control to the question of alleged Soviet untrustworthiness and "verification."

He is "the single most effective bureaucrat in the government," said Senator Larry Pressler, Republican of South Dakota. He is, Mr. Pressler said, "the strongest single force against an arms control agreement."

His influence rests in part on the bureaucratic skill, depth of knowledge and consistency that have made him a formidable intellectual force on the right since he became an aide to Senator Henry M. Jackson, Democrat of Washington, in 1969. Senator Jackson died in 1983.

That background and a relish for battle have helped Mr. Perle outmaneuver foes within the Pentagon, in the State and Commerce departments, in Congress and among the European allies. He often does this with charm, sometimes with undisguised contempt for what he views as their woolly-headed thinking.

Mr. Perle's success has also rested on the administration's disarray and inexperience in arms control. And it has depended ultimately on Mr. Reagan and Defense Secretary Caspar W. Weinberger, neither of whom shared his arms control expertise when they came into office but both of whom have tended to share his world view.

"Richard is a skillful bureaucrat and a tough political insider and all



Richard N. Perle

that," said Walter R. Slocombe, who held Mr. Perle's job in the Carter administration. "But he doesn't do it all with mirrors. He does it because he has the support of Weinberger, who, when push comes to shove, usually has the support of the president."

Nevertheless, more moderate officials in the administration would rather blame Mr. Perle than Mr. Reagan when they lose, and Mr. Perle at times seems to enjoy the image that makes him a target.

Son of a California businessman, Mr. Perle attended Hollywood High School and, in the early 1960s, the University of Southern California.

Mr. Perle spent a year at the London School of Economics and then did graduate work at Princeton University in international relations. As part of his Princeton research, he spent considerable time in Europe, studying the negotiating strategies of Denmark and Britain for entering the Common Market.

Mr. Jackson hired him in 1969 and Mr. Perle worked for the senator for 10 years, resigning only after helping to prevent Senate ratification of the strategic arms limitation treaty negotiated by the Carter administration.

The "only unambiguously successful arms control" pact, Mr. Perle said, only half facetiously, was the agreement around the turn of the century to demilitarize the Great Lakes.

Mr. Perle does not hesitate to dismiss the U.S. military and the State Department as ill-equipped to negotiate with the Soviet Union because both want agreements too badly.

He said he favors talking to the Soviet Union, in part because negotiations help maintain political

support for military spending in the West. But he said the prospects for favorable results were dim because the "terrible failure" of the Soviet revolution has left that nation dependent on "sheer brute force."

Mr. Perle operates with an air of certainty that tends to knock others aside. For example, on the last day in office for Frank Carlucci, the deputy secretary, Mr. Perle persuaded him to strip authority for export controls away from Richard D. Delauer, then undersecretary for research and development, and give it to Mr. Perle.

"My argument was very simple," Mr. Perle said. "I want to do something to solve this problem, and Dick Delauer doesn't."

His sense of certainty tends to silence those who might take a more moderate position on arms control — what Mr. Perle would call a more "naïve" view — in an administration where no one dares look soft on the Soviet Union.

In 1983, for example, the administration was preparing a draft treaty to ban chemical weapons. Mr. Perle thought that the Soviet Union would cheat on such a treaty unless Washington insisted on inspection procedures allowing U.S. officials to check suspected chemical arms factories.

The Joint Chiefs of Staff opposed such inspection rules because they did not want their stocks subject to Soviet snooping. The Central Intelligence Agency feared that the Russians would take advantage and pry into unrelated U.S. secrets.

State Department officials opposed Mr. Perle's proposal because they thought that the Russians would never accept such rigid standards and, worse, because the Western allies knew that the Russians would not accept them.

Mr. Perle persuaded Mr. Weinberger and, later, the Joint Chiefs of Staff, Mr. Weinberger's support ensured that the Perle option was put before Mr. Reagan, and the president went along.

"It may mean that we can't get an agreement on that basis; they simply may not be prepared to agree to that degree of inspection," Mr. Perle said. But he said that an agreement without such safeguards would be worse than none at all.

Mr. Perle said he opposed earlier arms control agreements because they gave the appearance of modifying Soviet behavior and thus lessening Western resolve to keep up in defense spending without really limiting Soviet military growth. He said he would favor an agreement that would reduce both sides' arsenals but that chances for such an agreement are slim.

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Published by The New York Times and The Washington Post

Starting Over in Geneva

Two things are essential for any deal on limiting nuclear weapons: a forum for bargaining and plausible proposals. The United States and the Soviet Union are miles from the latter, but inches from the former. So when they finally meet today in Geneva it will be a success if they agree only to meet tomorrow and tomorrow and tomorrow. If they can achieve even that much, Secretary of State George Shultz and Foreign Minister Andrei Gromyko will have earned their fare, and the thanks of a worried world.

There have been no bilateral arms talks since December 1983, when the Soviet Union broke off dual negotiations on intermediate and intermediate missiles. The purpose was to portray President Reagan as a warmonger, playing to the fears of Western Europe's peace movement. But then leaders changed in Moscow. Ronald Reagan took up the peace issue during the campaign and the Russians began to clear the path to Geneva.

To get moving again, Secretary Shultz proposes a fresh approach. First he calls for bundling all offensive weapons into a single set of negotiations with the aim of achieving real cuts. Then he proposes sitting down to discuss only defensive weapons — meaning "star wars" and anti-satellite weapons. And even these discussions would concern deployment, not research and development.

The first offer makes sense as a face-saving device for both parties to resume meetings. The bigger the bundle, the more room for swapping concessions in different categories of offensive weapons. But that pitched second offer has the smell of an interdepartmental consensus expressing only the minimum agreement among the hawkish and the less hawkish in the Reagan administration. Unwilling to knock heads, President Reagan has by default yielded to those who favor only what the Russians are certain to reject.

At the same time, though, the Soviet Union's stated position on defensive weapons is equally one-sided. As a down payment on unspecified concessions, Moscow wants to halt all space-related weapons immediately, from still remote "star wars" lasers to killer missiles for destroying satellites. Such a ban, according to President Konstantin Chernenko, would "facilitate" limits on other weapons.

In short, Messrs. Shultz and Gromyko will be swapping wish lists, the ritual preliminary to real bargaining. What happens next depends on how capable their bosses are at wringing from divided bureaucracies a better offer than the other side cannot refuse.

President Reagan's track record on this is unimpressive, and President Chernenko's is untested. But each is anxious to avoid the odium for driving the arms race perilously higher. So what is most likely at Geneva is that the superpowers will parley to parley. That is surely better than not talking at all.

—THE NEW YORK TIMES

Other Opinion

Three-Sided Poker in Geneva

The third power at the negotiation table in Geneva today will be weapons technology — technology as an impersonal, non-ideological force that drives the arms race and the various theories contrived to manage it politically.

For more than a year the United States and the Soviet Union have hardly been talking, and for more than a decade they have been unable to come up with any ratifiable major treaties. This diplomatic hiatus, however, has placed no inhibitions on the relentless thrust of weapons technology. Stealth bombers, cruise missiles, mobile rockets, infrared sensors, laser and directed-energy weapons — many innovations will be haunting the Geneva negotiations. The outburst of weapons technology is eroding the premises on which existing strategic arms agreements are based.

We may be moving into a period when the array of weapons is so varied and so unverifiable that humanity can save itself only by using its inherent good sense. If politicians finally face the reality that weapons technology will not provide security, perhaps they will put more reliance on humanity's instinct for survival. In the end, it is our only hope. It is Geneva's brightest promise.

—The Baltimore Sun

We have expressed anxiety about space armament since President Reagan's "star wars" speech in March 1983. We are opposed for three reasons: First, this initiative leads to arms expansion; the side developing defensive weapons will not throw away its offensive weapons and the other side might increase its offensive weapons and try to break the defensive network. Second, it costs an extraordinary amount of money to develop space arms [and the resulting] U.S. deficit would weaken the

Having earlier portrayed the pending Geneva talks as an achievement for its diplomacy and a harbinger of better East-West times, the Reagan administration now speaks of a useful but necessarily modest occasion that will merely let George Shultz and Andrei Gromyko start trying to get together on arms control. The scaling down of public expectations is wise. The whole grim record of arms control failures and frustrations is being brought to Geneva, along with a lot of mutual distrust. Just to agree on a workable agenda will be a strenuous and time-consuming task.

What is reasonable to ask? That each side at least address the other's principal anxieties. On the American side, concern focuses, as it must, on the question of Soviet compliance with past accords and on the threat that Soviet heavy land-based missiles continue to pose to U.S. land-based missiles, the American command and control system and American peace of mind. On the Soviet side, concern centers on the quickening U.S. deployment of numerous accurate new offensive weapons and on the possible eventual success of President Reagan's missile-defense project: taken together, the ingredients of a capability for a first strike.

It is not necessary — nothing in the history of arms control indicates it is feasible — to tackle the whole of the two sets of concerns. The test will be whether appropriate pieces can be isolated for the purpose of renewing a negotiation. Mr. Reagan has high arms control ambitions. Still, ambition can be a trap. The Soviet-American circuit is frail and easily overloaded. After much roughness and a long hiatus, what is most needed is a sure start.

Too little is known of the debates that produced the position Mr. Gromyko brings to Geneva. Too much may be known of the debates that produced the U.S. position. Perhaps insufficient attention is being paid to the effect that the very process of a negotiation, if one actually begins, can have on that position.

The Russians assail Mr. Reagan for launching "star wars." But of course, they would love to see him abandon, for no price at all, a program that may greatly widen the U.S. technological edge even if it never gets beyond the current protracted research stage.

American critics of "star wars," forgetting perhaps that Mr. Reagan is a strongly re-elected president with a determined grip on the idea, assail him for saying he is unwilling to trade it away. But in a certain context, one which Moscow can shape by addressing U.S. fears, the unnegotiable becomes negotiable.

It is uncertain whether the Geneva negotiations will be able to break past the familiar obstacles. But it is good to see Mr. Gromyko and Mr. Shultz heading there. Dialogue is important. It offers the essential reassurance that the superpowers, with their immense responsibility to the whole globe, seek a greater measure of control over the common destiny.

—THE WASHINGTON POST

This meeting has all the omens of failure. Not only because the accumulated problems are of course too vast and complex for even the start of a solution in two days of spectacular negotiations. But above all because Messrs. Shultz and Gromyko arrive in Geneva with completely contradictory positions on the main subject of discussion, "star wars."

The Soviets have not quite claimed that their return to the negotiating table is a concession that must be repaid — but almost. The press and the leadership in Moscow assert that the other side must prove its "goodwill," "confirm its words of peace by actions" and "renewance the quest for military superiority" by abandoning its space defense program.

—Michel Tatu in Le Monde (Paris).

It looks as if we can expect a year — or maybe several years — of talking, but little real progress. And the only person that would really suit would be Richard Perle. Last week he gave his influential perspective on what lies ahead. "The sense that we and the Russians could compose our differences, reduce them to treaty constraints, enter into agreements, treaties, reflecting a set of constraints, and then rely on compliance to produce a safer world — I don't agree with any of that."

—The Observer (London).

Small Steps for a Courtly Nuclear Dance

By William L. Ury

CAMBRIDGE, Massachusetts — When Secretary of State George Shultz and Foreign Minister Andrei Gromyko meet in Geneva, there is a real possibility that, although they will talk seriously, they will simply talk past each other.

As in previous negotiations, the Americans will focus on the practical details of arms control. They will be interested chiefly in setting up a new schedule for negotiations. The Soviets will dwell on broad declaratory principles: a ban on space weapons, a freeze, a comprehensive test ban. Deeply suspicious and skeptical, they will demand to know American intentions: Is the United States seeking superiority and giving up restraints on defensive weapons?

Impatient Americans, like a young man eager to live with his girlfriend, will want to know where to put the furniture. The Soviets, like a demure maiden, will insist on knowing American intentions first. These talks may become a dialogue of the deaf. How, then, can Mr. Shultz and Mr. Gromyko maximize the chances of making progress at the negotiating table?

To understand the talks, we need to step back and understand the historical context. In the 1970s, the détente years, the United States was essentially playing "Let's make a deal." Washington calculated that there were deals to be made involving arms control, trade, human rights and Vietnam. When the Soviets did not abide by America's rules of fair play, but launched an immense arms buildup and engaged in aggressive behavior in the Third World, America called off the game and went home.

The Soviets saw the situation differently. Simply put, they were playing "Let's form a relationship." Given the Soviets' deep-seated feelings of insecurity and inferiority, that new relationship with the United States in the 1970s meant a great deal to them. For the first time the United States acknowledged Soviet-American military parity. Moscow greatly relished the prestige and enhanced self-confidence of being an equal partner. A marriage of sorts was in the making.

Picture how the situation looked to Soviet eyes as the decade turned: The Soviet bride is stand-

ing with the American bridegroom at the altar when suddenly, in front of the whole world, he changes his mind and stalks off. The bride waits through 1980 and 1981, embarrassed and puzzled. Finally she gives up and goes home, humiliated and angry. Decisions in Moscow are made coolly and rationally, as in a chess match, but it would be a mistake to overlook the emotions lying just beneath the surface.

The "people problem," through misperceptions and excessive suspicions, can easily frustrate progress at the negotiating table. What, then, can be done? The most important outcome of Geneva may not be substantive progress in arms control but a restoration of confidence.

A kind of courtly dance needs to follow President Reagan's change in rhetoric. The strategy for the United States is to search for low-cost steps that yield high benefits for the relationship. One possible step would be to reaffirm an agreement that has already been signed: the Basic Principles of Relations of 1972. The United States also could ratify the 1974 Threshold Test Ban Treaty and the 1976 agreement on under-

ground nuclear explosions for peaceful purposes, possibly with a protocol on verification.

And Washington could restore the Soviet airline's landing rights in the United States. That may seem like a small matter to Americans, but to the Soviets, acutely sensitive about their prestige, it would be a welcome sign.

Since the Soviet shooting down of Korean Air Lines flight 007 provoked the termination of Aeroflot's landing rights, it would be fitting to restore them in conjunction with the initiation of talks covering incidents in the air. Modeled on the successful agreement that the two navies reached in 1972 to avoid collisions at sea, such an agreement would specify procedures to follow in the event that an unauthorized aircraft neared either side's borders. Recent interviews with Soviet officials have shown interest in this idea.

Starting with such relatively minor steps, both sides could focus next on substantive issues on which agreement might be easily reached. One candidate would be measures to avert dangerous crises that could damage the relationship or, worse, provoke a nuclear confrontation.

In a speech last March that the Soviets repeatedly cite, Konstantin Chernenko proposed rules of conduct for nuclear powers. The very first rule emphasizes the prevention and control of crises. Washington could show interest in Mr. Chernenko's proposal and suggest a set of talks to discuss how to implement it. In that context, both sides could consider crisis-control centers in Moscow and Washington to avert accidental nuclear war.

Having built the necessary momentum, the negotiators then could tackle the trickiest issues of all: nuclear arms and space weapons.

Progress toward serious arms control can begin in Geneva, but only if the two sides control their expectations and, building on small steps, create a climate of confidence after years of chill.

The writer is director of Harvard's Nuclear Negotiation Project and author of "Beyond the Hotline: How Crisis Control Can Prevent Nuclear War," to be published by Houghton Mifflin in March. He contributed this column to the Los Angeles Times.



Drawing by Bernhard in Hel Parzel (Amsterdam). Distributed by Cartoonists & Writers Syndicate.

Helping a Hindu Revolution to Stop at the Border

By Harish Khare

NEW DELHI — A conservative, Hindu revolution has swept India. Ignoring their discontent over the Congress Party's five years of misrule and corruption, Indian voters have given 40-year-old Rajiv Gandhi a sweeping mandate that they withheld from his mother, Indira Gandhi, and even from his grandfather, Jawaharlal Nehru. While the extent of this mandate is reassuring, its nature seems quite ominous.

The election was reassuring in that the Indian people have entrusted Rajiv Gandhi with safeguarding the country's unity. He wrapped himself in the flag and sold himself as the political heir to Indira Gandhi, whose assassination by two Sikh security guards in October became synonymous with an assault on the Indian state. In death, then, Indira became India and, in effect, campaigned posthumously for her son.

The Congress Party's triumph is frightening because Rajiv Gandhi depicted the assault on the state as the work of separatist Sikh fundamentalists. His campaign theme of "unity in danger" subtly touched many Hindus, appealing deeply to their historical fears and mistrust of non-Hindus. Mr. Gandhi's mandate is a triumph of non-Hinduism. Thousands of chauvinistic Hindus abandoned

their traditional champions — right-wing parties like the Bharatiya Janata Party — to rally under his banner. Those parties have been decimated, but the right-wing constituency has

never, for example, made any secret of their appreciation for blue jeans, the Beatles and computers. Mr. Gandhi even has a non-Hindu, non-Indian wife. Yet the silent Hindu majority that never accepted Nehru — because he talked of secularism — nor made peace with Indira Gandhi has now taken to Rajiv.

In doing Congress back to power, the Hindu majority seems to be saying it did not really mind the horrible anti-Sikh carnage after Mrs. Gandhi's death. Never before has the majority so betrayed its temperamental appetite for intolerance and extreme methods. The same electorate that so decisively rejected the emergency regime in 1977 now seems ready to swallow an authoritarian pill, provided it is adequately sugar-coated.

Mr. Gandhi's stunning victory six days prompt Washington to rethink its policy toward India. The sudden strengthening of the regime in New Delhi has strategic ramifications in the South Asian region.

On the face of it, the ideologies in Washington ought to welcome the Congress Party's new ascendancy. The torch has passed to a generation of Indians who are totally untutored and uninterested in Fabian socialism, that pernicious doctrine that influenced Nehru and stalked Indira Gandhi. Rajiv Gandhi is conspicuously nonideological — and that in itself makes him a friend of the West. But it

also makes him impressionable. The problem begins at the border.

The neo-Hindu constituency accepted Mr. Gandhi's contention that Pakistan was propping up the movement for an independent Sikh state to be called Khalistan, and these voters do not expect him to tolerate any open encouragement of the separatist forces in Punjab. Washington must make the rulers in Islamabad understand that even a minor provocation could bring out the worst jingoistic response from Rajiv Gandhi's India.

For the time being, both Moscow and Washington favor the consolidation of Mr. Gandhi's rule. Yet the slightest indication that Washington remains unconcerned about Indian sensitivities on the Khalistan business would enable Moscow to drive a wedge between Mr. Gandhi and the United States. Moreover, the separatist problem in Punjab can be defused democratically and without violence only if the protagonists of the Khalistan movement are made to believe that they no longer have the ear of powerful officials in Washington.

The danger, given the present Indian mood, is that any evidence of external support for Sikh separatism could give the Indian political temper an irreversible jingoistic turn. That would spell certain trouble for South Asia and for democracy in India.

The writer is assistant editor of the Hindustan Times. He contributed this column to The New York Times.

Men Overboard! Or Just Horses for New Courses?

By James Reston

I'm tired of Love.
I'm still more tired of Rhyme.
But money gives me pleasure
all the time.

—Hilaire Belloc

WASHINGTON — A funny thing happened to President Reagan on his way to "four more years" in the White House. Just when he had set the Ship of State on the "right" course, his loyal conservative crew began diving from the poop deck. It wasn't a case of mutiny on the Bounty, but the lure of bounty on the shore.

The first to go overboard was the president's own lawyer, Attorney General William French Smith. Then Ed Meese left the upper deck for the Justice Department, but hasn't quite made it.

This left Judge Clark, who always seems to be leaving the State Department in his wake. The Interior Department for some time now has been in the hands of a conservative crew. He decided over the Christmas holidays that it was time to go back to California.

Finally, Mike Deaver, the doorkeeper and stage manager of the Oval Office, concluded sadly that he couldn't live happily in Washington on \$72,000 a year, even with his wife's lucrative assistance, and took refuge, at \$200,000 a year, in a local publicity establishment.

How to explain that the first to jump ship were before the start of the second cruise were the skipper's first officers and closest friends? The short answer is that they have always been more interested in Ronald Reagan than in revolution, in electing rather than in governing, in helping their buddy when a second term seemed like fun. The first four years were a lark, but another four in Washington would be a sentence. Mr. Smith lives in a hotel. Even George Shultz rents a furnished house.

Obviously, Messrs. Smith, Clark and Deaver don't think the battle of the budget is over or, despite the spectacular election victory, that the conservative realignment of American politics is assured.

But the Republicans, or at least these California Republicans, are not like the Democrats, who think of politics as a life career and wear themselves out in the process. Republicans seem to think of politics

as a temporary adventure or noble obligation duty, to be performed for a while before they go home to better business and a prominent notice in "Who's Who."

The president has lost Howard Baker as the Republican leader in the Senate, which is a serious loss, but he retains Jim Baker, who is restless, as chief of staff in the White House. So he's one Baker down and maybe one to go.

As for Mr. Reagan's departing conservative buddies: With due respect for their temporary efforts, they are disposable and replaceable. In his first term the president chose the best of his friends; now he has a chance to replace them with the best of his party.

As for "Poor Mike" Deaver, now to be "Rich Mike," he loses his office but not his influence. He will be as close to the president and respect Reagan as her telephone, only now he will be paid more.

Conservatives have clearly lost some influence in the White House and the Senate, with Bob Dole in charge for at least the next couple of years, but they still have some powerful advocates in the cabinet. They will have to get rid of Raymond Donovan at Labor, although he is not a convicted crook, because he is an embarrassment. The conservatives can still count on Cappy Weinberger, the verbal gunnager, and other pearls at the Pentagon — not forgetting Casey at the bat in the CIA.

Even so, it's interesting why the president let his buddies jump. He could have held them, because they respect him, merely by insisting that he be needed them and didn't want to be left alone with a lot of pragmatic bakers and candlestick makers. He didn't do, maybe because he understood their longing for home. He must think about that himself some nights.

Also, preparing to take the vows and state the purposes of a second term, he is clearly the most successful and powerful politician in a changing world and may very well take a different show on the road, with different themes and advisers.

For his good companions are tired of Washington, where the sun doesn't shine, but money gives them pleasure all the time.

The New York Times

Outsiders Have a Role to Play

By Thomas P. Thornton

WASHINGTON — If India is to remain united, Rajiv Gandhi must undo his mother's legacy of over-centralization and restore a workable federal relationship with the state governments. An integral part of that job involves reinvigorating Congress Party as a constructive political force, not just the vehicle of individual political ambitions.

Despite impressive progress, India remains a country of hundreds of millions of very poor people and uneven economic development, beset by corruption at almost all levels. Needs and expectations are immense and solutions hard to discern, although more effective use of the private sector and further loosening of controls are high on the list. Mr. Gandhi can at most make modest progress, but some sense of movement is needed to give Indians renewed hope.

International problems are less immediate but they also must be addressed. Relations with Pakistan are dangerously strained, and there are unique opportunities to compromise differences with China. From his present position of strength, Mr. Gandhi can afford to take some of the politically unpopular steps needed on both fronts.

Ultimately India needs to arrange better its relationship with the United States and upgrade its non-aligned credentials by moderating its tilt toward the Soviet Union. Mr. Gandhi is untested as a statesman. He will need the support of Pakistan, China and the United States. Heavy-handed attempts to sway Indian policy are not called for, but Washington can help by ensuring that capital, trade opportunities and technology are available on reasonable terms and by avoiding actions that could impede India's rapprochement with Pakistan and China. An invitation to visit the United States this year would enable Mr. Gandhi to explore these matters at a high level.

America has an interest in seeing that Mr. Gandhi's triumph does not turn into an empty mockery. A strong, unified and dynamic India can become a valuable economic partner and play a constructive role in South Asia and beyond. Success of democracy in India gives important testimony to the broad validity of America's values. If Mr. Gandhi fails to meet at least some of the expectations generated by his victory, Indians will come more and more to despair of democracy as a way to deal with their country's problems.

The writer is adjunct professor of Asian studies at the Johns Hopkins School of Advanced International Studies. He contributed this column to the Los Angeles Times.

Letters to the Editor

Nuclear Winter Fallout

Regarding the opinion column "Nuclear Winter: Dying a Cold, Dark Death" (Dec. 15) by Tom Wicker:

Recent work suggests that firestorms after a large nuclear exchange, and the buoyancy of dark clouds heated by sunlight, might rapidly propel very large quantities of fine particles to high altitudes. Submicron particles at stratospheric altitudes (where there is no rain-out) would last for a year or more.

As our TTAPS group — Turco, Toon, Ackerman, Pollack, Sagan — originally stressed, and as the National Academy's report underscores, it is as probable that nuclear winter effects would be more severe than in our baseline case as that they would be less severe. So the climatic catastrophe we outlined in October 1983 is

unfortunately not the worst possible outcome, by any means.

Nuclear winter is not amenable to experimental verification — at least, few wish to perform the experiment. The implications of nuclear winter are not merely minor increments to "the already known perils." Nations not in the northern mid-latitude target zone might collapse even if not a single nuclear weapon fell on their territories. A devastating first strike, even in the absence of any retaliation whatever, could lead to the climatic destruction of the aggressor nation. For these and other reasons, nuclear winter introduces a range of new and worrisome possibilities (see Foreign Affairs, Winter 1983-1984).

Mr. Wicker reaches an important conclusion. If a tiny fraction of the global inventory of 55,000 nuclear weapons is sufficient to produce nuclear winter, then there are far too many such weapons. The urgent task before us is — safely, verifiably and bilaterally (ultimately multilaterally) — to make major reductions in these grotesque, bloated and ultimately suicidal nuclear arsenals.

CARL SAGAN.
Ithaca, New York.

Diplomatic Wonderland

Even Proctor of Rabat and Lawrence of Almeria (Letters, Dec. 17) miss a humorous literary allusion if they think the embassy spokesman in Mexico City was serious when he said "dangrouser and dangrouser." The reference is to "curiouser and curiouser" in Lewis Carroll's "Through the Looking Glass."

RICHARD PATRICK WILSON.
Mobile, Alabama.

FROM OUR JAN. 7 PAGES, 75 AND 50 YEARS AGO

1910: Saragossa Bombe Cause Worry MADRID

The situation in Saragossa continues to trouble the Government here. Even those who two months ago refused to ascribe importance to a bomb explosion there, and attributed it to a private vengeance, now admit that some secret anarchist center exists in that city, plotting to terrorize the authorities and the population. The four petals of [Jan. 7], of which two exploded and two were discovered in time, induced the Governor to summon all the city authorities to a meeting. It was decided not to create unnecessary alarm, to double the police vigilance and to send a detailed report to Madrid. In spite of the panic which the first explosion caused at the church of Pilar, during a large religious ceremony, the population is calm. The city has resumed its usual aspect.

1935: Hunting Heresy With Terror MOSCOW

The heresy hunt which is always under way in this country is now conducted with increased vigor as the result of the Kremlin's decision, following the [Dec.] assassination of Sergei Mironovich Kirov, former secretary of the Communist Party at Leningrad, to stamp out opposition. For every person executed, imprisoned or exiled, twenty or perhaps fifty are questioned, dismissed from their positions or expelled from the Party or the Young Communist League. Terror strikes not only at acts or the intention to act, but also at ideas expressed in private conversation. Officials are disciplined even for relating counterrevolutionary anecdotes — the type of anecdote which has flourished in every country in Europe subjected since the war to dictatorship.

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S.A. au capital de 1.200.000 F. RCS Nanterre B 731021126. Comptable Paritaire No. 61337.
U.S. subscription: \$384 yearly. Second-class postage paid at Long Island City, N.Y. 11101.
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EUROBONDS

Will Treasury's Borrowing Send U.S. Firms to Europe?

By TERRY GROSS

NEW YORK — The U.S. Treasury has rung in the new year in pretty much the same way it rang out the old — by trying to fund a deficit that shows no signs of magically disappearing.

No sooner had business opened for the new year last Wednesday than the U.S. government auctioned off \$5.75 billion in seven-year notes. On Thursday, another \$4.28 billion of 19-year, 10-month bonds was sold.

In addition, the Treasury announced Wednesday that it would refund about \$14 billion Monday in a sale of three- and six-month bills.

A tremendous edifice of words has been erected about the effect, or possible effect, on U.S. credit markets of this seemingly insatiable Treasury borrowing requirement.

Almost all economists agree that extensive Treasury borrowing will be one of a number of factors exerting upward pressure on interest rates over the coming months. In addition, credit market analysts have said that uncertainty about the political process on deficit reduction would also act as drag on bond prices in early 1985.

But there is nothing close to unanimity on whether red ink in Washington will mean much to the Eurobond market. And among those who believe there will be some effect, there is disagreement about just what that effect will be.

There are those who think that when the U.S. Treasury is forced to borrow more, U.S. corporations are squeezed out of the credit market. Given this assumption, it might seem fair to ask whether those U.S. corporations will look toward Europe to satisfy their borrowing needs.

But there are others who challenge the squeezing-out assumption.

"The squeezing-out concept is really fallacious," said a syndication manager for the London branch of a U.S. investment bank. "What it means is they'll have to pay more. Literally, there is money there, it's just a question of how much it costs."

He added that the only companies that could be the victims of squeezing out would be those of lesser quality, companies now able to issue so-called junk bonds in the U.S. market. "If you have higher rates, there are marginal borrowers who might not be able to access the market."

Most analysts say the question of whether to borrow in the United States or Europe is purely financial. "I think one should think of an overall need for borrowers to raise dollars," said Jeffrey Hanna, an economist for Salomon Brothers in New York. "Those dollars can be raised in the United States or abroad. A U.S. corporation looks at the relative attractiveness of borrowing" in both places.

He said that both markets offered opportunities for raising money, and "when a corporation does issue, it says: 'O.K., where is it cheaper?'"

Others agreed. A London syndication manager said: "They come to Europe as an attractive alternative to the U.S. on cost. Very few come for any other reason."

Borrowing costs in both the U.S. and Eurobond markets could be expected to rise at about the same time, so the main attraction the Eurobond market offers to U.S. companies borrowing in Europe — the relative cost advantage — would remain intact.

"We've seen significant periods in the last nine months when it has been substantially cheaper to borrow in Europe over the three- to 10-year maturity spectrum," said a syndication manager in London.

But many analysts see this cost differential narrowing.

"It is unlikely that the Eurobond market will offer the substantial yield advantage that it did for much of 1984," Mr. Hanna said. "The removal of the withholding requirement has gradually created a change in the spread relationship," he added, referring to the removal last summer of the U.S. withholding tax on bonds bought in the United States for non-U.S. investors.

Eurobond yields, and hence the cost for a company to borrow, "have risen vis-a-vis domestic yields," Mr. Hanna said.

The syndication managers tend to look at the market in terms of what it will cost their client to borrow. Portfolio managers view it in precisely the opposite way: with an eye on the kind of return they can get for their investors. And as the yield differential

Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes			
United States			
DJ Indus.	1,184.96	1,204.17	+1.61
DJ Indus.	146.54	146.80	+0.18
DJ Trans.	553.00	558.91	+6.91
S & P 500	161.00	164.75	+3.75
S & P 500	163.48	166.26	+2.78
NYSE Comp.	94.60	95.89	+1.29
Europe			
FTSE 100	1,214.60	1,225.30	+10.70
FTSE 30	940.80	979.00	+38.20
Japan			
Nikkei DJ	11,558.06	11,542.00	-16.06
West Germany			
DAX	1,112.70	1,107.90	-4.80

Currency Rates

Late interbank rates on Jan. 4, excluding fees.			
Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates at 4 P.M.			
	\$	DM	FF
Amsterdam	1.571	4.716	112.855
Brussels	63.32	73.96	20.0165
Frankfurt	3.1435	3.645	10.337
London	1.165	3.658	11.1445
Milan	1,044.30	2,234.00	614.50
New York	1.151	2.162	9.855
Paris	6.785	11.161	3.850
Tokyo	252.575	3.071	82.935
Zurich	2.821	6.123	22.205
1 ECU	0.7854	0.4901	1.49724
1 SDR	0.78573	0.4901	1.49724

Output Is Down In U.S.

2-Year Low Cited For December

NEW YORK — Production last month reached its weakest point since the recession ended in December 1982, and other indicators point to further deterioration in coming months, the National Association of Purchasing Management said Sunday.

The association, a trade group made up of industrial purchasing managers, also said that both the rate of new orders and the level of employment had declined to their lowest levels since December 1982.

Only prices showed improvement in December, the association said. Its monthly survey of more than 200 purchasing managers from 20 industries said that more members had reported price declines than increases.

Robert J. Bretz, chairman of the association's Business Survey Committee, said that the survey's findings had indicated a further slowing of the economy in December, after several months of decline that had been interrupted by a pause in November.

Mr. Bretz, who is director of corporate purchasing for Pitney Bowes Inc., said the economy shows no immediate signs of improving.

The association said its composite index for the economy had declined to 51.3 percent in December, from 52.1 percent in November. A reading below 50 percent indicates the economy is contracting; a reading above that level indicates growth.

"This index has languished close to the 50-percent level for five consecutive months," the association said.

The index relates seasonally-adjusted monthly performances in new orders, production, employment, vendor performance and inventories. The figures are based on U.S. Commerce Department analysis, the association said.

The association said that 23 percent of its responding members had reported declines in production in December from November. This was the highest percentage since 33 percent reported declines in December 1982. Only 17 percent of the respondents reported an improvement in production.

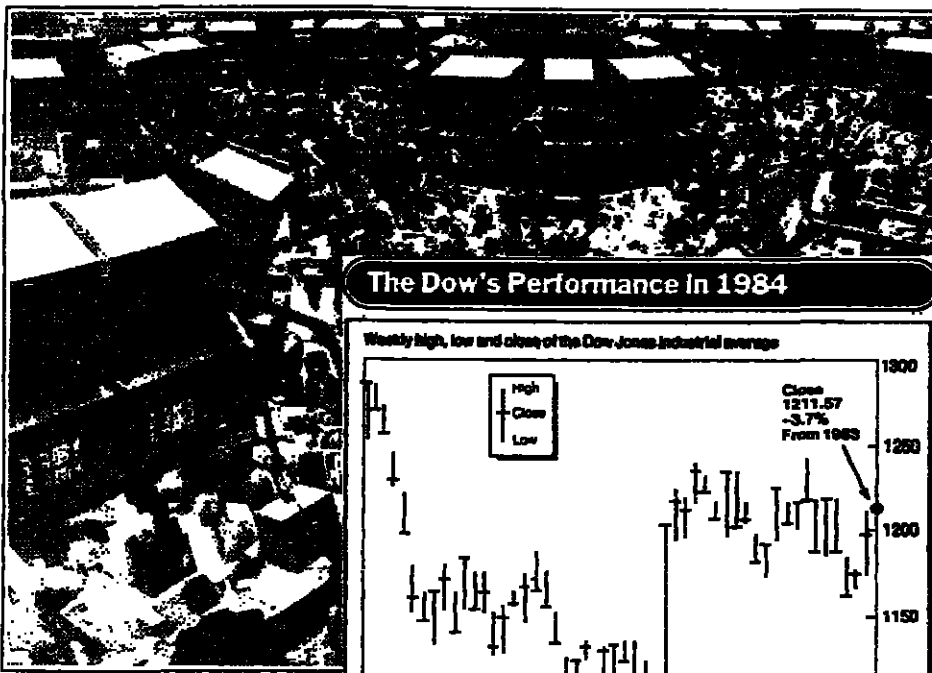
Twenty-four percent of the companies reported a decline in new orders, compared with 19 percent reporting an increase. This was the widest negative disparity since an 18-point difference was recorded as the recession was ending in December 1982.

"The negative level of this leading indicator offers little hope for immediate improvement in the economy," the association said.

The association also said that only 6 percent of its responding members had reported hiring more people last month, the lowest level since 6 percent in December 1982. The figure for last month also compared with 13 percent of respondents who had reported employment gains in November.

Twenty-three percent reported declines in the number of employees in December, and there were frequent reports of plant and production line shutdowns and layoffs, it said.

Stocks: Caution Is the Word



Nervous Start, Strong Finish Seen for '85

By Vartan G. Vartan

NEW YORK — Stock market investors are edging into 1985 with nervous glances back at 1984 — a puzzling and disappointing year for equities — wondering whether history will repeat itself.

Contrary to the usual start-of-the-year optimism, caution is the operative word on Wall Street.

"When it comes to the stock market, 1985 will be a classic case of first the bad news, then the good news," said Standard & Poor's Outlook. "With the economy expected to slow to a crawl in coming months and concern over fiscal and monetary policy lingering, stocks are likely to head lower early in 1985 before rallying sometime in the second quarter."

Market strategists at Merrill Lynch concur. "We believe that a generally cautious approach is indicated on an intermediate-term basis," said Robert J. Farrell, chief market analyst for Merrill Lynch.

The company's strategists said that during the early months of 1985 the Dow Jones industrial average could "test" the lows reached in July 1984, in the area of 1,080. The analysts expect the average to reach new highs "in the 1,400 to 1,500 area" by December.

The Dow, the market's most closely watched barometer, ended 1984 at 1,211.57, down 3.74 percent for the year. Its 30 components are blue chips, and, in a year when investors emphasized

quality, the industrial average fared far better than most indexes of lesser-grade stocks.

However, the New York Stock Exchange's composite index of common stocks outperformed the Dow, which suffered from large losses in such issues as Union Carbide Corp., Bethlehem Steel Corp. and International Harvester Co. The Big Board index ended at 96.38, up 1.26 percent.

The secondary-quality issues were mostly laggards. The over-the-counter market came under the greatest pressure, with the NASDAQ composite index closing at 247.35, down 11.22 percent.

The American Stock Exchange's market value index, heavily weighted with energy issues, also slipped. It closed at 204.26, off 8.41 percent.

One area that investors did seem to favor was high-yielding stocks. Reflecting the strength of this defensive tactic, the Dow Jones utility average finished at 149.52, up 13.41 percent.

What kind of a year, then, was 1984? It opened on a note of optimism as stock prices and investor hopes alike ran high. A forecast by Heiko H. Thierse, head of equity operations for the Atlantic Capital Corp., an investment banking arm of the Deutsche Bank, typified the high hopes. He saw the Dow at 1,500 by August.

In early January, the industrials came within a point of topping the record closing of 1,287.20, set on Nov. 29, 1983. But it was mostly downhill after

U.S. Auto Firms Record a 13.2% Rise in '84 Sales

Compiled by Our Staff From Dispatches

DETROIT — U.S. auto sales last year surged 13.2 percent from 1983, making 1984 the best year for the domestic industry since 1979, according to industry reports released late Friday. Analysts predicted that the sales recovery would continue through 1985.

According to the reports, sales of new domestically produced and imported cars totaled 10.39 million units last year, up from 9.18 million in 1983 and just below the 10.7 million of 1979, which is considered to be the industry's last good year before the recession.

Overall, U.S. consumers bought a total of 14.1 million cars and light trucks in 1984.

Although total sales fell below the peaks set in the mid-1970s, the year should produce record-setting profits for General Motors Corp., Ford Motor Co. and Chrysler Corp., which are expected to report combined earnings of about \$10 billion.

That sum would be a 62-percent improvement on the record of \$6.15 billion, set last year. It would also amount to 122 percent more than the \$4.5 billion earned in 1978, when total car and truck sales reached 15 million. Even allowing for inflation, \$10 billion in profits for last year would be appreciably better than the 1978 earnings.

"Profits this year are absolutely staggering and would have been higher without the strikes at GM," said Ann C. Knight, an auto industry analyst at Paine Webber. She said the reason the industry could earn more money on fewer sales was that it had slashed its overhead and improved the productivity of its factories.

"They really have cleaned up their act," she said. "I think they learned something" from the severe slump of the late 1970s and early 1980s.

Although the major automakers announced Friday that sales had slipped a bit in the final 10-day period of 1984, falling 2.2 percent, analysts predict that the industry's sales in 1985 will be at least as good

Chrysler Planning Some Price Rises

DETROIT — Chrysler Corp. has announced that it plans to freeze prices on 1985 domestic small cars, but will increase prices on larger models.

Chrysler said Friday that \$110 to \$226 will be added to the price of its intermediate and large cars, depending on the models. The increases, which will take effect with the shipment on Jan. 9, will amount to an average of 0.9 percent, or \$106, for the entire Chrysler fleet.

Last week, Ford announced an average price increase of 1 percent, or about \$90, for its small trucks, but indicated that it would not increase the price of its 1985 cars. Late last month, GM increased the average price of its 1985 models by an average of \$296, or 2 percent.

as in 1984 and possibly better. Philip Fricke, who follows the industry for Goldman Sachs, estimated that auto sales this year will reach 10.9 million, and light trucks 3.8 million, for a total of 14.7 million vehicles.

"The major problem for 1985 is supply," Mr. Fricke said. "Will GM, Ford and Chrysler have enough cars to sell? Some of GM's larger models have been in short supply all year."

Mrs. Knight said the fact that fewer vehicles were sold last year than in some past years suggests that more growth is possible. "They haven't robbed the next couple of years of demand, so the car companies have some good years ahead of them," she predicted.

Analysts' forecasts of sales this year range from 10.5 million to 11 million. Combined with light trucks, including the popular minivans, total sales could reach 14.7 million to 14.8 million vehicles.

Another reason for the industry's prosperity, analysts said, is the renewed interest in larger, more expensive cars.

(Continued on Page 11, Col. 2)

U.S. Unit to Probe Auditors' Ties to Failing Firms

By Nancy L. Ross

Washington Post Service

WASHINGTON — A subcommittee of the House Energy and Commerce Committee is likely to hold a series of hearings beginning next month into auditing firms and their relationship to some large business failures, a subcommittee aide has indicated.

The Energy and Commerce subcommittee on oversight and investigations, chaired by Representative John D. Dingell, the Michigan Democrat who also chairs the full committee, has outlined nine areas of concern. These include auditors' independence, compliance with standards, adequacy of disclosure and the effectiveness of industry oversight of accounting firms that audit publicly-held companies, the aide said.

The subcommittee will examine the roles of the so-called Big Eight firms, as well as those of smaller accountants, in financial crises at such institutions as Penn Square National Bank, Continental Illinois National Bank & Trust Co., and Financial Corp. of America, to determine

whether the auditors did their job properly, the aide said.

The hearings, the first substantial inquiry into the accounting profession in seven years, were prompted by an increase in the number of business failures as well as by an increasing number of complaints brought against accountants by the Securities and Exchange Commission in the past year or so.

For example, the agency required Aetna Life & Casualty Co. and Financial Corp. of America, to change their accounting methods and restate their earnings. This resulted in considerably lower profit figures.

In 1983, Aetna settled its dispute with the SEC by reducing its profit figure by \$203 million, or 38 percent, from the \$522 million that originally had been reported.

FCA resolved its case with the SEC last year by turning what had been reported as a \$75.3-million profit for the first six months of 1984 into a \$79.9-million loss. It later dropped its accountant, Arthur Andersen & Co., but said the decision did not reflect differences on accounting.

A high SEC official, who asked not to be named, said that few of the recent business difficulties could be attributed to false or misleading audits.

In the late 1970s both the House and Senate held oversight hearings into the accounting industry. Out of those came the Public Oversight Board, a group that checks reviews that accounting firms perform of one another. The board makes its findings public.

The board, whose \$800,000 budget is paid by the accounting profession, is headed by a former Sears, Roebuck & Co. chairman, Arthur M. Wood. Its other members are Melvin R. Laird, a former secretary of Defense; A.A. Sommer Jr., a former SEC commissioner; John D. Harper, a former chairman of Aluminum Co. of America; and Robert K. Mautz, an accounting professor.

The board has no caseload or enforcement authority. In its seven years of existence, it has never made a public announcement of wrongdoing, and has concluding that peer review was good, said Thomas P. Kelley, group vice president and a member of the American Institute of Certified Public Accountants.

Ruding to Head Key IMF Panel

Reuters

WASHINGTON — Finance Minister H. Onno Ruding of the Netherlands was elected chairman of the International Monetary Fund's policy-making Interim Committee, the leading agency has announced.

He will succeed Willy de Clercq of Belgium, who is resigning following his appointment as a member of the European Community's Commission. Mr. Ruding, the Dutch finance minister since 1982, held previous positions in government and in commercial banking.

The Interim Committee, which has 22 members, advises the IMF on overall monetary policy as well as on how to deal with sudden disturbances in the world monetary system.

Gold Slides Below \$300; Dollar Mixed

NEW YORK — Gold bullion slumped below \$300 an ounce last week, closing at a level last seen two and a half years ago and extending a slide attributed to the combination of falling oil prices and a strong dollar.

The dollar was mixed on world foreign exchanges, fluctuating in a narrow range that left the U.S. currency near all-time highs.

Gold briefly dipped below the psychologically important \$300 barrier on Thursday before staging a slight recovery.

On the New York Commodity Exchange, gold bullion for current delivery fell \$3.30 to close at \$298.10 a troy ounce, the lowest finish since the \$298 of June 22, 1982, during the depths of a severe worldwide economic slowdown.

In later trading, Republic National Bank in New York said gold bullion was bid at \$299 an ounce, down \$2.75 from the late bid Thursday and off \$9.20 from the end of the previous week.

Gold hit a record high of \$875 a troy ounce during trading on Jan. 21, 1980, a time of double-digit inflation and international unrest.

Gold, a traditional hedge against inflation, had also been a haven for funds in times of political and economic unrest. But with inflation slowing in recent years and attractive returns offered on dollar-denominated investments, gold — which pays holders no interest — has lost its luster to investors.



securities transactions settled during 1984 have exceeded

\$1,000,000,000,000,000

this compares with \$613 billion during 1983

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After a Disappointing 1984, Analysts See Hope for a Good Late 1985 — But Caution Is the Word

(Continued from Page 7)

What, despite a low inflation rate (something Mr. Thieme was banking on), rising corporate profits and a landslide re-election victory for President Ronald Reagan.

Why then did so many professional money managers and individual investors absorb losses in their portfolios during the past year? And why did all those cheery forecasts of a "second leg" to the bull market fail to materialize?

One factor cited repeatedly was the huge federal budget deficit. But it was something of a red herring. Instead, two surprise developments really sent the stock market off track. First, interest rates rose in the first half of the year, contrary to most forecasts. Then, in the second half, the exuberance fed by a surging economy gave way suddenly to fears of a possible recession. Both developments caused investors to shun stocks and switch to bonds and other fixed-income instruments.

As if investors did not have enough to worry about, the Treasury Department dropped a bombshell on the stock market in late November with a proposal for a wide-ranging overhaul of the tax system. The net effect was to increase uncertainty, for corporations as well as stockholders.

"A serious new negative in the economic outlook," said Albert M. Wajniower, chief economist for the First Boston Corp., "is a possible paralysis of investment purchase decisions, for both tangibles and securities, induced by uncertainty over tax reform."

Adding to the volatility in the marketplace was the increased domination by pension funds and other pools of institutional money that now account for an estimated 60 percent to 65 percent of New York Stock Exchange volume. But for all their cash and research and timing signals, even professional money managers were whipsawed

by a market that produced little in the way of sustained leadership.

The big-capitalization Dow industrial stocks did not fare too badly. But their performance masked the extreme weakness in broad sectors — especially technology stocks but also most low-priced and speculative issues. Here the legacy of 1983 played its part. By the late spring of that year speculative activity rose sharply. This led to a boom-and-bust cycle that exerted its influence through 1984.

Amid widespread investor jitters, earnings disappointments invariably touched off selling. In a single day in July, for example, the NYSE saw nearly one-third of its market value disappear after directors unexpectedly cut the dividend.

Another drag on the market was the liquidation by such giants as Chrysler Corp. and Bethlehem Steel of huge amounts of stocks in their pension funds in order to buy bonds and lock in generous yields.

N.Y.S.E. Volume

Total share volume on the New York Stock Exchange for each year	
1984	23,071,031,447
1983	21,589,576,987
1982	18,458,036,788
1981	11,863,740,859
1980	11,352,293,531

Such selling is expected to continue.

"What you're going to see in the early months of 1985 is more pension funds either indexing their portfolios to match the broad market or switching into bonds," said a money manager at a major bank. "The net effect will be to cause confusion over the ultimate direction of the stock market."

Individual investors had their own problems trying to pick stocks in 1984 and many people abandoned the equity market. Some experts said Wall Street itself was

partly to blame because it has introduced so many alternatives to stocks.

"The retail market for individual customers is, in a sense, a self-inflicted wound by the brokerage industry," said a top-producing stockbroker at one nationwide firm. "In recent years the brokerage houses have emphasized packaged products, such as leasing programs, tax shelters and new mutual funds, partly because the commission payout to salesmen is attractive and partly because it usually takes customers two or three years to find out that they have made a mistake."

Perhaps the chief saving grace for many investors was the bull market in corporate takeovers and management buyouts. The largest takeover on record, a \$13-billion deal, saw the Gulf Corp. acquired by the Standard Oil Co. of California. But there were scores of other sizable acquisitions. This frenzied level of merger and acquisition ac-

tivity resulted in a huge amount of net liquidation in securities by all types of investors.

According to estimates by Nancy Kimelman, an economist at Salomon Brothers, individuals alone sold nearly \$124 billion more in stocks than they bought in 1984. This record amount of liquidation contrasted to net selling by individuals of \$39.4 billion in 1983 and \$26.6 billion in 1982.

Still, for all the disenchantment the stock market caused in 1984, it also produced occasional flashes of lightning. In the first three days of August, the Dow soared a total of 86.80 points as investors responded to indications by the Federal Reserve that it would not tighten credit conditions.

And the industrial average jumped nearly 35 points on Dec. 18, thanks to signals that the Fed was easing its credit reins. It proved, if nothing else, that caution has not cornered the market.

Most Active N.Y.S.E. Issues in 1984

Stock	Volume (Millions of Shares)	1984 High	1984 Low	1984 Close	Change From '83
A.T.&T.	415.4	20%	14%	19%	+ 1%
I.B.M.	267.4	128%	9%	123%	+ 1%
Exxon	232.2	45%	36%	45%	+ 7%
General Motors	191.6	82%	61%	78%	+ 4%
Ford Motor	189.2	51%	39%	45%	+ 5%
American Express	178.0	39%	25%	37%	+ 5%
Chrysler	175.2	33%	20%	32%	+ 4%
Merrill Lynch	162.6	36%	22%	27%	- 5%
Mobil	155.3	32%	23%	27%	- 1%
National Semiconductor	152.6	19%	9%	11%	- 3%
Phillips Petroleum	147.3	68%	33%	44%	+10%
Sears	145.6	40%	29%	31%	- 6%
ITT Corporation	142.8	47%	20%	29%	-16%
General Electric	141.1	69%	48%	56%	- 2%
AMR Corporation	138.0	41%	24%	36%	0

These listings are a summary of 1984 trading. Each stock is shown with its dividend for the year, value in hundreds, price/earnings ratio and the year's high, low and closing prices. Change and percentage change figures are from 1983 closing prices; volume and price data are based on consolidated trading.

For Most Investors, '84 Was Trying, But Far From the Worst of Times

By James C. Condon

New York Times Service

NEW YORK — For most investors, 1984 is likely to be remembered as a trying year. Hardly the best of times, but with the Dow Jones industrial average down a little less than 4 percent, far from the worst.

But even in such a ho-hum year there are shareholders who have real reason to celebrate: holders of Star Surgical, Sterling Extruder and Allied Products, for instance. They managed to pick the largest-gaining common stocks on the three major markets, according to tabulations compiled by The Associated Press.

Shares in Star, a small, over-the-counter company, rose eightfold to close at \$9 in 1984, making it the best performing stock of the year in terms of percentage gain. The company has won Food and Drug Administration approval to expand testing of its replacement lenses for cataract patients.

On the American Exchange, Sterling Extruder led the pack. A manufacturer of plastic-forming equipment, Sterling was the beneficiary of the surge in capital spending by American businesses. Profits in the latest nine months more than doubled, and its shares closed 1984 at \$16.125, about three-and-a-half times their 1983 close.

Allied Products, the leading New York Stock Exchange performer, returned strongly to profitability in 1984 by shedding a money-losing fastener division and strengthening its specialized farm equipment and industrial products divisions. Holders of Allied Products stock for the entire year saw their investment rise 122.9 percent, to close at \$19.50.

Unfortunately, in 1984 it was easier to pick losing stocks. The Amex market value index dropped 8.4 percent and the NASDAQ composite index of over-the-counter stocks fell 11.2 percent. On the New York Stock Exchange, the 1,185 declining issues barely outnumbered the 1,109 advancing issues. But at the Amex, losers outnumbered gainers almost 2-to-1.

Seventeen of the 30 Dow industrial companies fell; the worst performance was Union Carbide Corp.'s 41-percent decline. The 12 gainers were headed by Exxon Corp., which managed a 20-percent rise. One component, United Technologies Corp., was unchanged from 1983.

According to Robert H. Stovall, director of portfolio strategy at Dean Witter Reynolds Inc., 1984's biggest losers "were companies that ran into management problems or just plain bad luck, or both. These stocks, unfortunately, created their own bear markets."

The Big Board's two largest-declining stocks illustrate the point. Storage Technology Corp., a maker of large computer storage devices, was unable to keep pace with International Business Machines Corp.'s innovations. Losses forced the company to file for reorganization under the U.S. Bankruptcy Act, and its shares plunged 83.5 percent to close at \$2.25.

Western Union, which posted the second-largest decline on the New York Stock Exchange, suffered from abrupt management shifts and an inability to collect a payoff from its big investment in electronic mail. Its shares closed at \$8.75, down \$27.75, or 76 percent.

Two New York Stock Exchange companies that suffered widely reported setbacks in 1984 — Continental Illinois and Financial Corp. of America — are not included among the 10 largest losers. Continental Illinois was rescued from insolvency by federal regulators, and its bank shares were converted into one share in a new holding company and the right to buy one more share in the new company. Total closing value of those issues

1984 Gainers and Losers on the N.Y.S.E.

N.Y.S.E.-listed common stocks that showed the largest percentage gains and declines in 1984. Prices are adjusted for any splits, and figures include no stock that had fewer than 1,000 shares traded or that traded for less than \$2 a share.

GAINERS				
Stock	1984 Close	Percent Change Since 1983 Close	Comment	
Allied Products	19%	+122.9	Manufacturer redeployes assets, returns to profitability	
Republic Gypsum	18%	+114.3	Strong earnings gains for wallboard maker	
Mattel	10%	+106.0	Toy maker, now back to basics, stages recovery	
Rollins Environmental Services	14%	+ 95.1	Concern benefits from new P.C.B. disposal rules	
Cowles Broadcasting	45%	+ 94.7	Broadcaster agrees to be acquired by a private company	
Chicago Milwaukee	186%	+ 82.0	Railroad is the object of a bidding contest	
Donaldson, Lufkin & Jenrette	29%	+ 86.7	Broker to be acquired by Equitable Life	
Tonka	41%	+ 82.2	Toy maker's Gobots are a hit and aid results	
Tootsie Roll	31%	+ 74.6	Candy maker turns in a better than expected results	
Orange-co	10%	+ 70.8	Florida freeze yields higher margins for citrus producer	
LOSERS				
Storage Technology	2%	-83.5	Victim of miscalculations and tough I.B.M. competition	
Western Union	6%	-76.0	Still waiting for the profits from electronic mail venture	
Hesston	5%	-74.1	Depressed market hurts farm-equipment maker	
Omnicare	7%	-74.0	Health-care company has big loss, stock plunges	
Williams Electronics	2%	-71.8	Its coin-operated video games are money losers	
Valero Energy	6%	-70.1	Trouble in a refining subsidiary hurts energy concern	
Anacomp	2%	-67.9	Software concern's project fails, results in big losses	
Mission Insurance	8%	-67.8	Deteriorating results hurt property casualty insurer	
Public Service of New Hampshire	3%	-67.4	Seabrook nuclear plant a heavy burden	
Consumers Power	4%	-67.3	Canceled nuclear plant hurts Michigan utility	

Source: Associated Press

was \$1.25, below the threshold for inclusion in the tabulations. Shares in Financial Corp., a fast-growing thrift institution that was squeezed when interest rates moved against it, closed out the year at \$7.875, down 61 percent.

Unfortunately, it was easier to pick losing stocks than winners last year. On the New York Stock Exchange, losers outnumbered gainers by 1,185 to 1,109.

The American Exchange's largest decline was suffered by Crystal Oil, a refiner plagued by losses. Its shares fell \$11.125, or 77.4 percent, to close at \$3.25. Shares in Webcor Electronics, a telephone equipment maker, dropped 75 percent, the next-largest decline. Like TIE-Communications and Teleconcepts (which narrowly missed the list of biggest losers), Webcor was hurt by increased competition in the glutted market for consumer telephones.

Healthdyne was the largest over-the-counter loser. Red ink in its

division that makes infant monitors and the announcement that the company and some of its officers were being sued for violations of securities laws sent Healthdyne shares down 84.9 percent, to \$2.875. The second worst performance was by Visual Technology, down 84.8 percent. The company, which recently announced that it would be merged into Lee Data, had troubles introducing a portable personal computer.

Gainers on the Big Board also included Republic Gypsum, up 114.3 percent, and Mattel Inc., up 106 percent. Republic, a leading manufacturer of gypsum wallboard, reported good earnings improvement. Mattel, after shedding its non-toy operations, also reported improved results.

Other big Amex winners were the ICH Corp., a big insurer that acquired Bankers Life. Its stock climbed 161.9 percent. Louisville Cement, in third place, was up 133 percent on the news that it would be acquired by the American subsidiary of a French cement maker. Two other big gainers in the OTC markets were new companies: Universal Trading Exchange, which operates a corporate barter clearinghouse, and Panatech Research and Development, which won the marketing rights to a new semiconductor chip.

Who were the investors who won and lost in the 1984 markets? "In 1984 the retired folks who stuck with safety and income stocks, suddenly found they had bought performance stocks," said Mr. Stovall of Dean Witter.

"Meanwhile, the business school graduates who went for high-tech issues found themselves in a bear market."

ON THURSDAY, NOVEMBER 29, 1984 FINANCIAL HISTORY WAS MADE.

The day marked a new phase in the integration and the expansion of the world's capital markets. It also introduced the United States to a financial instrument effective for portfolio diversification — a growing need for money managers in the internationalized capital markets.

What happened on November 29th was the first public offering in the US of securities denominated in ECU, the European Currency Unit. A major currency of the European Economic Community (EEC), the ECU is widely used and accepted in Europe and in the Eurobond market.

Bear, Stearns & Co. was the first investment banking firm to propose that the European Economic Community undertake a public offering of ECU-denominated securities in the U.S. The EEC carefully considered our concept and then decided to file a registration statement with the SEC. They selected a group of three managers, including Bear Stearns, to bring the ECU 200 million issue to market.

Some had said it couldn't be done.

In pioneering the public introduction of this financial instrument in the US, we demonstrate more than our broad knowledge and expertise in the needs of issuers and investors in the world's capital markets; we demonstrate our commitment to an expanded market for ECU-denominated securities in the US and throughout the world.

Evidence of this commitment appears in our organization. Trading, Sales and Marketing, Corporate Finance, Syndicate, Administration and other areas of Bear Stearns have consolidated for the execution and the after-market support of transactions in ECU-denominated securities. Further evidence of our commitment is our intent to maintain liquid primary and secondary markets for the issue and to conduct trading in both New York and London.

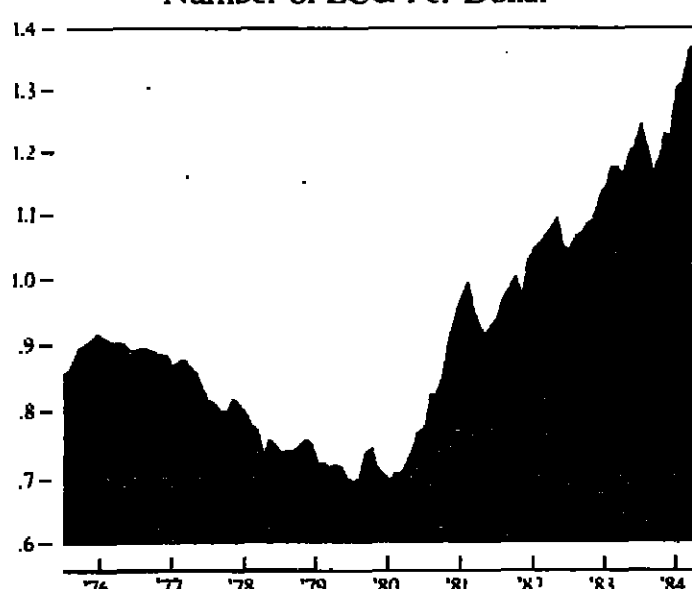
As acceptance of the ECU grows, so do its markets. The potential for the ECU is vast. And so are the advantages for both issuers and investors. Through our expertise in ECU financing we can help issuers and investors finance or manage assets in the world's capital markets.

Watch. History rarely happens right before your eyes... The world's capital markets are becoming the world capital market.

Interested issuers and investors in ECU-denominated securities are invited to contact Bear, Stearns & Co. in New York:

Ed Rappa, Market Development, 212-952-8063;
Ronald Shiftan, Corporate Finance, 212-952-5964;
Tom Tarantino, Trading, 212-952-7128; or
Clive Bergel, Sales and Marketing, 212-952-8966.

Number of ECU Per Dollar



This graph depicts the relationship of the value of the US Dollar to the ECU from 1976 to the present. During this period, the high and low exchange rates of the ECU in terms of U.S. Dollars were \$1.45 and \$0.71, respectively.

PERSONALITIES PLUS
MARY BLUME
IN THE WEEKEND SECTION
OF FRIDAY'S IHT

Gold Options (prices in \$/oz.)

Price	Feb.	May	Aug.
300	12.00-13.00	13.75-14.25	22.00-23.75
310	4.50-6.00	10.00-11.50	16.25-17.75
320	3.25-4.75	8.75-10.25	15.00-16.50
330	2.00-3.50	7.50-9.00	13.75-15.25
340	0.75-2.25	6.25-7.75	12.50-14.00
350	—	5.00-6.50	11.25-12.75

Source: CME, 2025

Valuers White Weld S.A.

1, Quai de Mont-Blanc

1211 Geneva 1, Switzerland

Tel. 31.62.51 - Telex 28.705

International Bond Prices - Week of Jan. 2

Provided by Credit Suisse First Boston Securities, London, Tel: 01-623-1277
Prices may vary according to market conditions and other factors

(Continued from Page 8)

Am. Security	%	Mat	Price	Yield	Am. Security	%	Mat	Price	Yield
1.25	100	12/29/85	100.00	12.50	1.25	100	12/29/85	100.00	12.50
1.50	100	12/29/85	100.00	15.00	1.50	100	12/29/85	100.00	15.00
1.75	100	12/29/85	100.00	17.50	1.75	100	12/29/85	100.00	17.50
2.00	100	12/29/85	100.00	20.00	2.00	100	12/29/85	100.00	20.00
2.25	100	12/29/85	100.00	22.50	2.25	100	12/29/85	100.00	22.50
2.50	100	12/29/85	100.00	25.00	2.50	100	12/29/85	100.00	25.00
2.75	100	12/29/85	100.00	27.50	2.75	100	12/29/85	100.00	27.50
3.00	100	12/29/85	100.00	30.00	3.00	100	12/29/85	100.00	30.00
3.25	100	12/29/85	100.00	32.50	3.25	100	12/29/85	100.00	32.50
3.50	100	12/29/85	100.00	35.00	3.50	100	12/29/85	100.00	35.00
3.75	100	12/29/85	100.00	37.50	3.75	100	12/29/85	100.00	37.50
4.00	100	12/29/85	100.00	40.00	4.00	100	12/29/85	100.00	40.00
4.25	100	12/29/85	100.00	42.50	4.25	100	12/29/85	100.00	42.50
4.50	100	12/29/85	100.00	45.00	4.50	100	12/29/85	100.00	45.00
4.75	100	12/29/85	100.00	47.50	4.75	100	12/29/85	100.00	47.50
5.00	100	12/29/85	100.00	50.00	5.00	100	12/29/85	100.00	50.00
5.25	100	12/29/85	100.00	52.50	5.25	100	12/29/85	100.00	52.50
5.50	100	12/29/85	100.00	55.00	5.50	100	12/29/85	100.00	55.00
5.75	100	12/29/85	100.00	57.50	5.75	100	12/29/85	100.00	57.50
6.00	100	12/29/85	100.00	60.00	6.00	100	12/29/85	100.00	60.00
6.25	100	12/29/85	100.00	62.50	6.25	100	12/29/85	100.00	62.50
6.50	100	12/29/85	100.00	65.00	6.50	100	12/29/85	100.00	65.00
6.75	100	12/29/85	100.00	67.50	6.75	100	12/29/85	100.00	67.50
7.00	100	12/29/85	100.00	70.00	7.00	100	12/29/85	100.00	70.00
7.25	100	12/29/85	100.00	72.50	7.25	100	12/29/85	100.00	72.50
7.50	100	12/29/85	100.00	75.00	7.50	100	12/29/85	100.00	75.00
7.75	100	12/29/85	100.00	77.50	7.75	100	12/29/85	100.00	77.50
8.00	100	12/29/85	100.00	80.00	8.00	100	12/29/85	100.00	80.00
8.25	100	12/29/85	100.00	82.50	8.25	100	12/29/85	100.00	82.50
8.50	100	12/29/85	100.00	85.00	8.50	100	12/29/85	100.00	85.00
8.75	100	12/29/85	100.00	87.50	8.75	100	12/29/85	100.00	87.50
9.00	100	12/29/85	100.00	90.00	9.00	100	12/29/85	100.00	90.00
9.25	100	12/29/85	100.00	92.50	9.25	100	12/29/85	100.00	92.50
9.50	100	12/29/85	100.00	95.00	9.50	100	12/29/85	100.00	95.00
9.75	100	12/29/85	100.00	97.50	9.75	100	12/29/85	100.00	97.50
10.00	100	12/29/85	100.00	100.00	10.00	100	12/29/85	100.00	100.00

Chicago Exchange Options

For the Week Ending Jan. 4, 1984

Option & price			Call	Put	Option & price			Call	Put	Option & price			Call	Put	Option & price			Call	Put	Option & price			Call	Put
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
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100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
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100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
100	100	100	100	100	100	100	100	100	100	100	100	100	100											

All of these securities have been sold.
This announcement appears as a matter of record only.

U.S.\$67,000,000

Farnsworth and Hastings Limited

16 1/2% Guaranteed Bonds due January 15, 1988

Unconditionally Guaranteed by

Cambrian & General Securities p.l.c.

Price 100%
(adjusted for interest)Drexel Burnham Lambert
INCORPORATED

December, 1984

JAPAN					SOUTH AMERICA					SPAIN					SWITZERLAND					UNITED KINGDOM					UNITED STATES AMERICA				
Am	Security	%	Mat	Price	Yield	Am	Security	%	Mat	Price	Yield	Am	Security	%	Mat	Price	Yield	Am	Security	%	Mat	Price	Yield	Am	Security	%	Mat	Price	Yield
100	Japanese Govt Debt	6 1/4	9/1	102 1/2	7.80	100	Argentine Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Spanish Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Swiss Govt Debt	12 1/2	9/1	102 1/2	7.80	100	US Govt Debt	12 1/2	9/1	102 1/2	7.80
100	Japanese Govt Debt	6 1/4	9/1	102 1/2	7.80	100	Argentine Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Spanish Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Swiss Govt Debt	12 1/2	9/1	102 1/2	7.80	100	US Govt Debt	12 1/2	9/1	102 1/2	7.80
100	Japanese Govt Debt	6 1/4	9/1	102 1/2	7.80	100	Argentine Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Spanish Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Swiss Govt Debt	12 1/2	9/1	102 1/2	7.80	100	US Govt Debt	12 1/2	9/1	102 1/2	7.80
100	Japanese Govt Debt	6 1/4	9/1	102 1/2	7.80	100	Argentine Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Spanish Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Swiss Govt Debt	12 1/2	9/1	102 1/2	7.80	100	US Govt Debt	12 1/2	9/1	102 1/2	7.80
100	Japanese Govt Debt	6 1/4	9/1	102 1/2	7.80	100	Argentine Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Spanish Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Swiss Govt Debt	12 1/2	9/1	102 1/2	7.80	100	US Govt Debt	12 1/2	9/1	102 1/2	7.80
100	Japanese Govt Debt	6 1/4	9/1	102 1/2	7.80	100	Argentine Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Spanish Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Swiss Govt Debt	12 1/2	9/1	102 1/2	7.80	100	US Govt Debt	12 1/2	9/1	102 1/2	7.80
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100	Japanese Govt Debt	6 1/4	9/1	102 1/2	7.80	100	Argentine Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Spanish Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Swiss Govt Debt	12 1/2	9/1	102 1/2	7.80	100	US Govt Debt	12 1/2	9/1	102 1/2	7.80
100	Japanese Govt Debt	6 1/4	9/1	102 1/2	7.80	100	Argentine Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Spanish Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Swiss Govt Debt	12 1/2	9/1	102 1/2	7.80	100	US Govt Debt	12 1/2	9/1	102 1/2	7.80
100	Japanese Govt Debt	6 1/4	9/1	102 1/2	7.80	100	Argentine Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Spanish Govt Debt	12 1/2	9/1	102 1/2	7.80	100	Swiss Govt Debt	12 1/2	9/1	102 1/2	7.80	100	US Govt Debt	12 1/2	9/1	102 1/2	7.80
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U.S. Deficits And Markets In Europe

(Continued from Page 7)

narrows, there exists an opportunity to switch out of Eurobonds and into Treasuries.

"The main characteristic of the Eurobond market is that it's very defensive," said Edward Dove, who manages fixed-interest portfolios for Lazard Securities in London.

He said that a number of Eurobonds are now trading through Treasuries, meaning that yield can be picked up by selling those Euro-

New Eurobond Issues

Issuer	Amount (millions)	Mat.	Coup. %	Price	Yield at offer	Price and week	Terms
FLOATING RATE NOTES							
Bilbao Int'l	\$100	2000	3/16	100	—	99.10	Over 6-month Libor, Redeemable at par in 1993, 1995 and 1997. Interest may be paid at holders' option in company's stock at a 3% discount.
Finnish Paper Mills Association	\$100	1995	1/2	100	—	99.50	Over 6-month Libor, Redeemable at par in 1990 and 1992. Denominations \$10,000, Face 0.07%.
FIXED COUPON							
Sollie Mae	¥25,000	1992	6 1/4	99 1/4	6.67	98	Noncallable.

bonds and buying Treasury bonds of like maturity. He said that as interest rates rose, "I would think that Eurobonds are going to look a little expensive."

He said that the added volume of new Treasury paper could be countered by the increased number of investors who could now hold Treasuries, investors who were not

willing to buy U.S. government securities when withholding was required of all U.S. issues. "They'll buy Treasuries if they're yielding more," he said.

Prices Drop Slightly as M-1 Rise Fails to Impress

By James Sterngold

NEW YORK — A \$6.7-billion increase in the basic money supply, although larger than had been expected, failed Friday to impress the credit markets. Prices fluctuated indecisively but finished on a positive note.

While bond prices were down slightly for the day, they closed well above their lows for the session, and some short-term interest rates fell. Investor interest remained slack, analysts said, as it had been most of the week.

Late Friday afternoon, the Fed reported that M-1, which consists of currency in circulation and all kinds of checking accounts, rose \$6.7 billion for the week that ended Dec. 24, well above earlier expectations of an increase of about \$4.5 billion. That follows a modest \$200 million decline the previous week.

There had been concern during

the day over how large the increase would be, but by the time the figure was announced many analysts had already altered their forecasts to show a bigger decline.

Therefore, the announcement had little impact on the market. In fact, bond prices rose slightly afterward, as investors appeared to show relief that the increase had not been larger.

The market was also given a

U.S. Consumer Rates

For Week Ended Jan. 6

Passbook Savings	5.50 %
Tax Exempt Bonds	9.87 %
Bond Buyer 20-Band Index	9.87 %
Money Market Funds	
Daily Dividend 7-Day Average	8.31 %
Bank Money Market Accounts	
Bank Rate Member Index	8.33 %
Home Mortgage	
FHLB average	14.16 %

Analysts said this easing, for the time being, fears that the Fed might have to slow money growth by pushing interest rates higher. In addition, many analysts said that they were already expecting a decline of a nearly equal size to be reported next week.

"The way these numbers have gone, a large increase is typically offset by a decrease of similar range, because of problems with the seasonal adjustment factors, and this is likely in this instance," Mr. Parry of Security Pacific said.

In market action, the Treasury's 11 1/2-percent bond due in 2014 slipped by 7/32 of a point, to 100 28/32 offered, for a yield of 11.64 percent, up from 11.61 percent. That left the long bond down about 1 1/2 points for the week, or \$15 for each \$1,000 in face value.

Elsewhere, the Treasury's 10-year, 11 1/2-percent note slipped 6/32, to 99 28/32 offered, for a yield of 11.65 percent, compared with 11.61 percent Thursday.

At the shorter end, the yield on three-month Treasury bills rose a

slight 2 basis points, to 7.83 percent, while six-month Treasury bill yields fell 1 basis point, to 8.15 percent. A basis point is one-hundredth of a percentage point.

The drop in bond prices followed a generally pessimistic week, but several analysts said that the market might now be set for some improvement.

"People were skittish all week; there was a lack of retail interest," said Mr. Stone of Merrill Lynch. "Most people are still sitting on the sidelines."

He added that the sell-off last week may have been overdone, presenting some bargains. He said that, should sentiment revive, prices could climb rapidly. "It's a weird thing that people have interpreted just about everything so negatively this week, but if things pick up people could climb on the bandwagon quickly," he added.

The market was given some cheer by the decline in the Fed funds rate. The rate never traded higher than 8 1/2 percent Friday, and late in the day was quoted as low as 7 1/2 percent, the lowest level of the week. On Thursday, Fed funds had averaged 8.77 percent.

At the high point for the funds rate Friday, the Fed arranged \$1.5 billion of customer repurchase agreements, which add funds to the money system and ease upward pressures on interest rates.

Perma to Buy Rest of Kaiser

Los Angeles Times Service

LOS ANGELES — Kaiser Steel Corp. has announced that Perma Resources Corp., a Colorado coal-mining concern, will acquire the stock in Kaiser that it does not already own from an investor group led by J.A. Frates, an oilman from Tulsa, Oklahoma.

The transaction, the value of which was not reported in the announcement Friday, will give Perma control over Kaiser's 900 million tons of high-quality coal reserves, much of which is located in the Trinidad-Raton Basin, just south of Perma's Colorado reserves.

Perma and the Frates group have managed Kaiser since they acquired it last winter, in a transaction valued at \$374 million. The Frates group subsequently gave Perma an option to become Kaiser's sole owner.

Consolidated Trading

OF NYSE LISTING

Week ended Jan. 4

Symbol	High	Low	Last	Chg
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32 1/2	32 1/4	32 1/2	+ 1/4
Boeing	72 1/2	72 1/4	72 1/2	+ 1/4
Ford	28 1/2	28 1/4	28 1/2	+ 1/4
General Electric	32 1/2	32 1/4	32 1/2	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32 1/2	32 1/4	32 1/2	+ 1/4
Boeing	72 1/2	72 1/4	72 1/2	+ 1/4
Ford	28 1/2	28 1/4	28 1/2	+ 1/4
General Electric	32 1/2	32 1/4	32 1/2	+ 1/4

Issues Traded in: 1,211

Advances: 91; declines: 94

Unchanged: 310

New Highs: 111; new lows: 23

Volume: 344,600,000 shares

Value: \$49,200,000,000

Issues Traded in: 899

Advances: 482; declines: 279

Unchanged: 163

New Highs: 36; new lows: 29

Volume: 15,600,000 shares

Value: \$1,200,000,000

Issues Traded in: 1,211

Advances: 91; declines: 94

Unchanged: 310

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Atari Unveils 3 Personal Computers

By Thomas C. Hayes

New York Times Service

LOS ANGELES — The Atari Corp., which is believed to be short of cash after disappointing Christmas sales, exhibited three new computers over the weekend at the Consumer Electronics Show in Las Vegas.

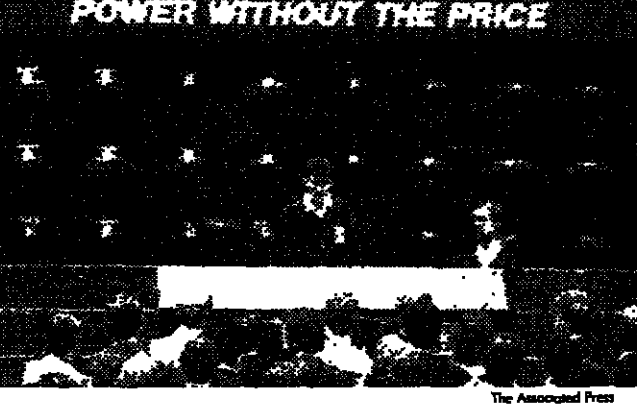
On a different stage at the trade show, a number of large Japanese electronics manufacturers showed off their first home computer-entertainment systems for the U.S. market, with prices below \$500.

Analysts are uncertain about the prospects both for Atari and for Japanese companies such as Sony, Matsushita, Yamaha and Pioneer.

For Atari, the big question is whether it has the resources to go against Apple Computer Inc., International Business Machines Corp., and Commodore International Ltd. in a battle for sales of personal computers in the \$700-to-\$1,500 range.

For the Japanese companies, a major uncertainty is whether consumers will go for the aging, eight-bit computer technology in their computer systems, selling for under \$500. Some analysts said sales in Japan have been disappointing. Shipments are expected to reach the United States by May.

The response from dealers, as well as potential investors and lenders, is likely to play a big part in how ambitious a course Atari's



Delegates at the Consumer Electronics Show in Las Vegas gathered Saturday at the Atari Corp.'s display booth.

new owner, Jack Tramiel, will set for the company in the personal computing market during 1985, according to analysts.

The new Atari computers, analysts said, will be priced between \$500 and \$900, depending upon the amount of memory. If successful, Mr. Tramiel's strategy would sharply undercut IBM and Apple's Ix and Ix models are priced under \$1,000. Apple's Macintosh is available at \$1,595.

But many are skeptical of Atari's chances. An executive at Warner Communications Inc., who asked not to be identified, said it was

unclear to Warner what products Atari would make this year. Mr. Tramiel bought Atari from Warner last July, but Warner retains an interest in the company.

Douglas A. Cayne, an analyst with the Gartner Group of Stamford, Conn., said Atari's new machines probably were based on the same microprocessor chip, the Motorola 68000, as Apple's Macintosh. He said Atari's new machines mimic many of the easy-to-use features of the Macintosh, through an operating system developed for Atari by the Digital Research Corp.

Comex, NYSE End Talks on Futures Market

By Elizabeth M. Fowler

New York Times Service

NEW YORK — Alan J. Brody, chairman of the Commodity Exchange Inc., has announced that he has ended talks with the New York Stock Exchange about the possible joint operation and ownership of the stock exchange's ailing subsidiary, the New York Futures Exchange.

He said Friday that the talks, which began early in 1984, had reached "an impasse."

For its part, the Big Board said only that "discussions have been terminated." A spokesman added, however, "We are continuing discussions with other exchanges for a possible joint venture."

The New York Futures Exchange trades futures contracts and options based on the stock exchange's composite index. The Comex, which is a center for trading silver, gold, copper and aluminum futures, also provides option trading in gold and silver.

Wall Street experts said that the leading contender for a joint venture with the New York Futures Ex-

change now was the New York Mercantile Exchange, noted for its willingness to add new products.

By buying or selling futures contracts, a trader can take a position in a substantial amount of a commodity or a financial instrument, for a relatively small amount of money, for a stated time.

The trader usually does not take delivery of the underlying product, but liquidates the position before the expiration date. The trader's risk in a futures contract can be considerable, because the trader may be asked to put up more money to carry a deteriorating position.

An option on futures is different. Call options give a trader, for a small premium, the right to buy futures contracts; the risk is limited to the premium paid. Put options give a trader the right to sell a futures contract.

The New York Futures Exchange had 1983 revenues of \$7.7 million and expenses of \$11.8 million. In 1984, according to a spokesman, the results were closer to "breaking even."

U.S. Auto Sales Advanced 13.2% in 1984

(Continued from Page 7)

persive cars and the increasing purchase of options, even for smaller models.

"Detroit is finally making some interesting cars and people are looking at them as an investment," said Arthur G. Davis, an analyst with Prescott, Ball & Turben. "People are loading them up and financing them over four or five years. The skinny stuff just won't sell any more."

Virtually all auto companies in the U.S. market reported increases for the year. The biggest percentage gain was Honda of America, which more than doubled its sales, to 642,021.

fell to 24.4 percent from 27.9 percent in 1983.

Among the domestic companies, Ford showed the biggest gain in auto sales, rising 26 percent, to 1,979,315. Chrysler auto sales increased 14.1 percent, to 1,078,716, while GM, which was hampered by strikes last fall, registered a gain of 13.5 percent, to 4,600,512 cars.

Of the Big Three, Ford registered an increase in market share last year, to 18.8 percent, from 17.1 percent in 1983. GM slipped to 43.74 percent from 44.15 percent, and Chrysler was down marginally, to 10.26 percent from 10.29 percent. Honda of Japan increased its share, to 6.10 percent from 4.91 percent.

The imports' share of the market

In the latest 10-day reporting period, which ended Dec. 31, sales of new domestically-built cars totaled 179,993, down 2.2 percent on a daily rate basis from 206,610 last year. There were eight selling days in the period this year and nine last year. Daily sales totaled 22,449 this year, compared with 22,557 a year ago.

For all of December, with 25 selling days this year and 26 in 1983, new-car sales by the six companies totaled 560,672, or 22,427 daily, up 4.3 percent from 559,421, or 21,516, a year ago. Sales of imported cars totaled 207,154, or 8,286 a day, up 12 percent from 192,347, or 7,398 a day.

(NYT, L47)

NASDAQ National Market

Sales in 100s High Low Close Chg

Symbol	High	Low	Close	Chg
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32 1/2	32 1/4	32 1/2	+ 1/4
Boeing	72 1/2	72 1/4	72 1/2	+ 1/4
Ford	28 1/2	28 1/4	28 1/2	+ 1/4
General Electric	32 1/2	32 1/4	32 1/2	+ 1/4

Net 100s High Low Close Chg

Symbol	High	Low	Close	Chg
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32 1/2	32 1/4	32 1/2	+ 1/4
Boeing	72 1/2	72 1/4	72 1/2	+ 1/4
Ford	28 1/2	28 1/4	28 1/2	+ 1/4
General Electric	32 1/2	32 1/4	32 1/2	+ 1/4

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IBM	162 1/2	162 1/4	162 1/2	+ 1/4
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GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T	52 1/2	52 1/4	52 1/2	+ 1/4
GE	32	31 3/4	32	+ 1/4
IBM	162 1/2	162 1/4	162 1/2	+ 1/4
AT&T</				

Sales in	Net
1994	1994

[illegible]

Closing Prices Jun. 4, 1984

Bowser	2.56	N
Bruce	102.07	N

of which these	Gain	9.25	N
curities could have	HIYld	13.76	N
en sold (Net Asset	Calvert	Group	
	Equity	15.92	N

Bid	Ask	TrFL	14.72	N
		Calvin	Bullock	
		AggG	6.96	7.4

Declinc	10.63	11.62	Hilinc	10.71	11.1
Uilinc	15.63	17.08	Month	11.03	12.1
orn F	30.68	NL	Nt WS	10.80	11.2

LYYd	11.22	12.00	Chf Sha	12.92	N
Grnwy	7.71	8.25	Chart Fd	5.93	N
HYd	9.66	10.33	Chp Dir	9.76	N
Chm 18	1.01		Chm 18	15.05	N

16.03	17.52	Income	6.78	7.2
F	unavail	MunIB	6.91	7.4
	Control	Coloal		

Exch	43.52	NL	GvSec	11.73	12.50
d Am	10.90	11.91	Gwth	9.52	10.40
vSec	11.58	12.42	HI Yld	7.07	7.50

TC	8.61	9.41	Columbia	Funds:
oce	18.54	20.26	Fixed	12.11 NL

Bol	9.54	10.86	Cwith CD	1.07	2.02
mcd	8.17	8.84	Composite		Group:
Mutl	13.85	15.14	Bond	9.23	NL

with	12.21	13.34	Constel G	16.50	NL
com	10.41	11.38	Cont Mut	5.79	NL
A	10.78	11.78	Copley	7.41	NL

an MI	9.28	10.12	Chirce	9.09	9.93
thFd	7.39	8.08	InvG	9.63	10.08
erile	2.49	NL	Pilot	7.93	8.67

Gth	3.54	3.87	DFA Int	101.21	NL
Inc	17.23	18.80	Dean	Wither:	
roy	5.43	5.81	CalTF	10.31	NL

d B	9.31	10.12	IndVI r	9.77	NL
com	4.58	4.98	NflRsc	6.62	NL
ack	6.63	7.25	SerpTx	10.14	NL

th	11.22	NL	Delaware	Group:
AB St	11.06	NL	DMC	9.58 10.06
AB B	10.35	NL	Deent	14.53 15.86

SH	12.92	NL	Delta	10.77	11.77
HH	17.05	NL	Delta	10.77	11.77
bm	Capital:		DIT CG	10.47	NL
FEI	8.45	NI	DIT AG	15.58	NI

	Class	Age	Sex	Weight	Height	Build	Complexion	Scars	Other
Fd	13.57	NL	DocCx	BI	unavail				
Fd	12.96	NL	DocCx	SI	unavail				

12.7% NL | COST% 13.0% NL |

[illegible][illegible][illegible]

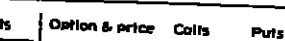
هكذا من الاعمال

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

		117	34	3
.12e	.8	1710	164	147
		2323	34	24
		222	100	101

.15e	1.9	130	8	7 1/2	7
.80	3.3	424	24 1/2	24	24

10-27-91



For the Week Ending Jan. 4, 1984

[illegible]

1. *Journal of the American Medical Association*, 1997; 277: 1033-1036.

Open Interest 2,424,807
r—Not Traded, s—None Offered, o—Old

هكذا مضى الى منزل

Sales

1.467
1.997
2.768
3.439
3.531

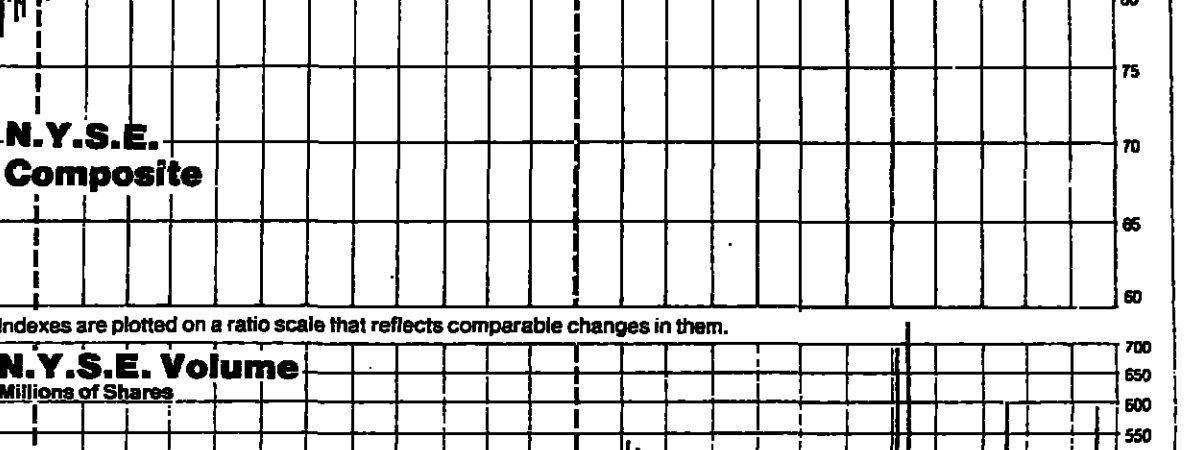
[illegible]

Dow Jones

Average	
1	1

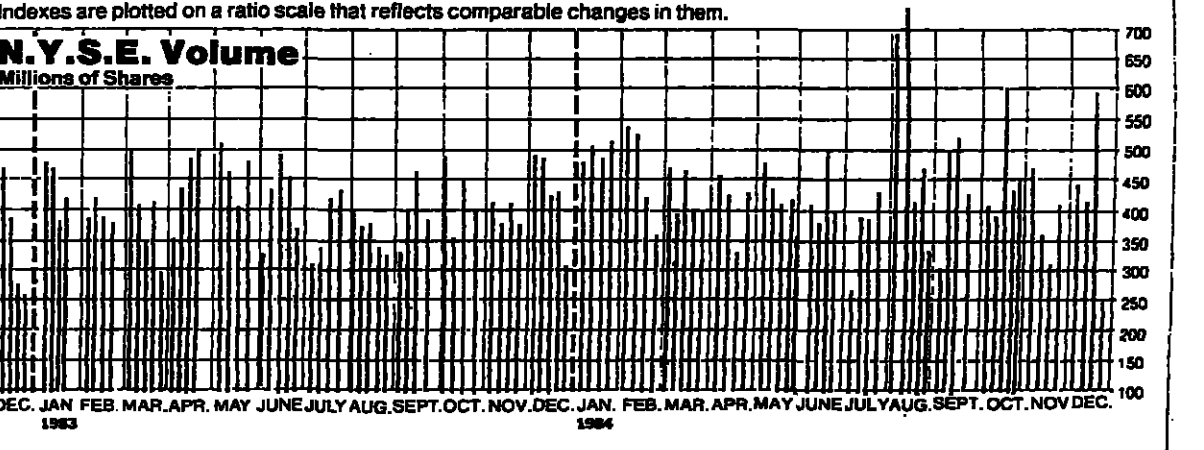
Most Actives

The figure consists of three vertically stacked candlestick charts, each representing a different stock index over time. The top chart is for the Standard & Poor's 500 Stock Index, the middle for the N.Y.S.E. Composite Index, and the bottom for the Dow Jones Industrial Average. Each chart has a vertical axis with price levels and a horizontal axis with time markers. The Standard & Poor's 500 chart shows a general upward trend from around 100 in 1979 to over 300 in 1984. The N.Y.S.E. Composite chart shows a similar upward trend from around 100 to over 200. The Dow Jones Industrial Average chart shows a more volatile movement, starting around 100 and ending around 150. Each chart includes a vertical axis with price levels and a horizontal axis with time markers.



N.Y.S.E. Volume
Millions of Shares

Indexes are plotted on a ratio scale that reflects comparable changes in them.



N.Y.S.E. Volume
Millions of Shares

[illegible][illegible]

(Continued on Page 14)

(Continued on Page 17)

